DOCUMENT RESUME

ED 212 183 HE 014 523

AUTHOR Ball, Harold E.
TITLE The College Store of the 1980's: Meeting the Challenge.
REPORT NO ISBN-0-917974-64-6
PUB DATE 81
NOTE 114p.
AVAILABLE FROM Professional Development Support, 1305 Stafford Street, DeKalb, IL 60115 ($7.95), quantity discounts).

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Accounting; Administrative Principles; Check Lists; *College Stores; Delivery Systems; Employment Practices; Equipment; Higher Education; *Merchandising; Operating Expenses; Public Relations; Purchasing; *Retailing

ABSTRACT

Approaches to help achieve a professional college store operation in the 1980s are outlined for the benefit of the college store staff member, supervisor, or manager, as well as administrators responsible for the review of the college store. The following areas are addressed: objectives of the service, organization, equipment and layout, the service that the customer sees, what goes on behind the scenes, chart of accounts, forms for the college store, means of evaluation, some research findings, whether the service should be in-house or through contract, the manager, and recognition and salaries. Specific topics include: basic store needs--sales, storage, and office; equipment to cut expense and improve service; books as educational tools; text and nontext books; general merchandise lines; special services; branch operations; purchasing control; customer policies; accounting and cash handling procedures; internal controls; staff training programs; the policy, staff, and procedure manuals; measuring effectiveness; operating statements; customer surveys; complaint evaluation; budgeting for retail needs; accrual versus fund accounting; the place of the store in the university organization; and reporting lines and controlling factors. Appended materials include: sample bookstore policies and procedures; sample staff manuals and job descriptions; guide to bookstore services for faculty; and checklists pertaining to leasing, inventory, finances, personnel, and public relations. (SW)

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The College Store of the 1980's

Meeting the Challenge

Harold E. Ball
Northern Illinois University

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Prospect Heights, Illinois
Professional Development Support
DeKalb, Illinois

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ISBN 0-917974-64-6

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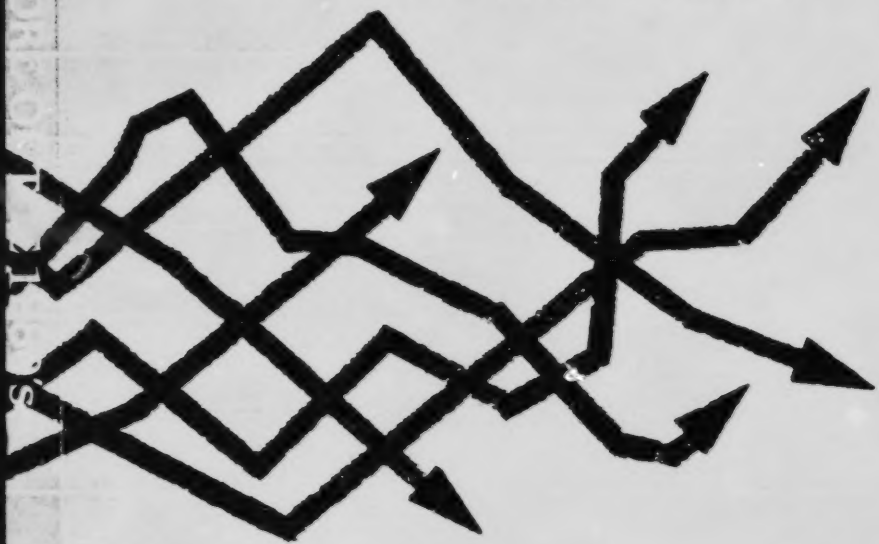
THE COLLEGE STORE OF THE 1980's

MEETING THE CHALLENGE



inflation • enrollments • growth
merchandise mix • promotion
profits • market changes • sales
recession • expenses • pricing

Harold E. Ball

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DEDICATION

This book is dedicated to Russell L. Reynolds, former Executive Director of the National Association of College Stores who served the industry for 35 years. His untiring efforts and love of the business have caused him to dedicate a lifetime of labor to nurturing a strong educationally oriented college bookstore on every college campus in the United States and several foreign countries. He has left his mark indelibly on generations to come through his influence on the college stores, general trade book industry, and the publishers of the last four decades. We are very fortunate to have had his leadership and guidance. We wish him well and years of health and prosperity in his retirement!

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Acknowledgements

I wish to thank the following people for their help and encouragement in writing this book.

Reed Andrae, Director of Auxiliary Enterprises at Northern Illinois University for the initial idea and push to get the project started.

Thomas Carr, Assistant Vice President for Business Affairs at Western Michigan University for reading and critiquing the rough manuscript.

Russell Reynolds, now retired as Executive Director of National Association of College Stores for also reading the manuscript and offering suggestions.

INTRODUCTION

It is hoped that this book will achieve two goals.

One is to introduce the college store staff member, supervisor, or manager to the broad range of concerns which must be dealt with to achieve the status of operating a truly professional college store in the 80's. There is no attempt to displace all of the excellent publications of the National Association of College Stores as tools and resource material. This book is intended to supplement them and to serve as another source book.

The second goal is to introduce to the typical Auxiliary Enterprise Director or Vice President for Business Affairs the same concerns. They certainly must be aware of the basic workings of the college store if they are to be effective administrators responsible for the review of such areas. It is hoped that this book will make the higher administrator more understanding of the need for support to develop this valuable asset on the local campus. By understanding the broad concepts as outlined in this text the administrator can be better prepared to help the college store meet the challenges of the 80's.

Individual response or comments would be appreciated after you have had a chance to read the book.

Harold E. Ball
1305 Stafford Street
DeKalb, Illinois 60115

Chapter One

Objectives of this Service

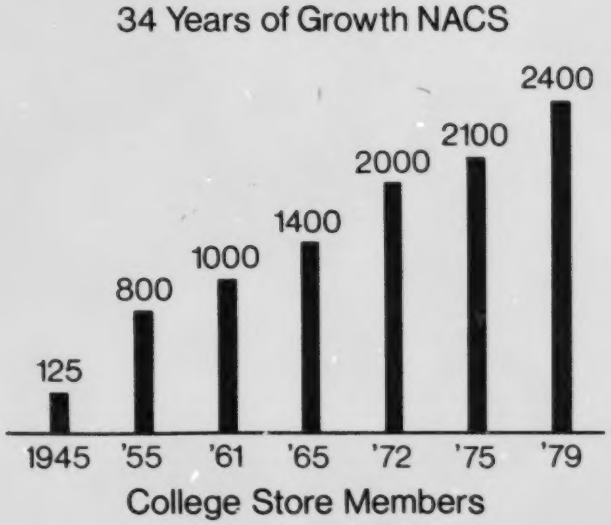
To understand the bookstore as a service entity of the university we need to know something of the development of the college bookstore industry. A well run bookstore can be as great an asset as the university library, and today's college bookstores have come a long way from the basement bookrooms which were prevalent on many campuses years ago.

The old time textbook outlet was usually off the edge of the campus and many times the local drug store provided the textbook service. Textbook service has some unique problems associated with it; such as low margins, expensive inventories, low turnover, space requirements, highly centralized sources of supply, a specialized market, and high costs of handling. This combination of factors made textbooks hard to handle, and in many cases unprofitable. Many colleges opened bookstores when private merchants just were not willing to devote the time and money to the business because of low margins of profit. These college bookstores were clerk service, the university often provided free space, utilities, custodial services, telephone, cheap labor, and other benefits. Many expenses were not charged back to the bookstores since they were considered a service to the campus community. This was often the philosophy in the early days of the industry. Many of the early bookstores placed little emphasis on profit, and quite often any that existed was used for scholarships, or some other special project on the campus. A number of bookstores even discounted merchandise to the students and faculty as a service.

Emphasis in the early years was on providing the necessary textbooks for the faculty and students, and little other merchandise was carried by the bookstore. It was expected that the bookstore would have the right quantity, of the right textbook, at the right time; a goal which seemed elusive in some cases and may still hold true at times to-

day. It didn't take long for the people assigned to handle the bookroom to find out that they could also sell other necessary class needs, such as paper, pencils, and other school supply items which had a better profit margin than textbooks. It was natural to add school crest items and other souvenirs, which eventually led to imprinted goods such as t-shirts, glasswear, and jewelry. During the early fifties the paperback book emerged and grew strong as the backbone of the general book department and hardcover reference books were introduced to the college market. The real service demand evolved into one of providing the necessary books, supplies, and convenience items which were needed by the student and faculty member to complement the educational mission of the college or university. Some college stores today have become major department stores serving their campus and the surrounding community.

Today there are many more institutional bookstores than privately owned. In 1980 there were 1823 institutional, 355 private, 165 leased, 30 Associated Students, and 73 Co-ops for a total of 2446 stores holding membership in the National Association of College Stores.[1]



[1]Russell Reynolds, National Association of College Stores, 1980.

Many colleges and universities picked up the responsibility early of setting up their own store. These institutions saw a need to provide this book service to the campus and still may not have competition today. Some colleges and universities grew so fast, or the institutions did not keep up with providing book service, and private bookstores opened next to the campus to meet the market demand. Private bookstores have located where there was space close to the campus in a high traffic area, at a reasonable cost, and where a private individual or group was willing to invest the capital in a bookstore. Many of these private bookstores have been very successful.

Essentially there should be little difference in these two types of bookstore operations. Both are providing the services and merchandise; the real question is who provides the capital, and where do the profits go from the business? The private store operator has never had any problem defining his or her philosophy; it has always been to produce the maximum return on investment.

On the other hand the institutional store has always been subject to the philosophical determinations of the college or university administration. In many cases the store was given a rather low priority in the plans and operations of the university. Many times the administration didn't know or state very clearly what its philosophy regarding the bookstore really was. Real confusion arises when the administrators push for an unreasonable profit and yet expect innumerable services from the bookstore. Objectives for the bookstore should be clearly defined and should indicate whether the bookstore is to carry a wide range of books which requires a heavy investment in inventory or whether the store is to limit its stock to a basic selection so money is not tied up unnecessarily. How far from the field of books should the merchandise mix range? What services are to be offered? Is the store to be a true bookstore, or a mini-department store with all the emphasis on profit?

Other factors may influence the philosophy on merchandise mix. The type of school, student needs, location of other merchants in the community, space, and dollar investment all must be considered. Private schools may have more freedom in selecting merchandise for the bookstore than public tax supported institutions. At the state institutions the bookstore may be governed by certain legislative or legal restraints. Though the institutional bookstore usually may have a prime location, management must deal with these restraints on its operations which may limit growth and development of the business. As an example, in

Illinois there is a list of merchandise lines which can be carried in the state-operated bookstores. The list is quite clear in drawing restrictive lines and is used as a guide in the determination of philosophy to operate these stores.

Many institutions have been hesitant to look upon the bookstore as a profit center and have in fact shunned any reference to profit. Some have even gone so far as to charge either too few or too many expenses back against the bookstore, and have never really produced an accurate or representative financial statement for the operation. They prefer to emphasize an aura of service and hide or ignore the fact that the store may be either very profitable, or a loser, as the case may be.

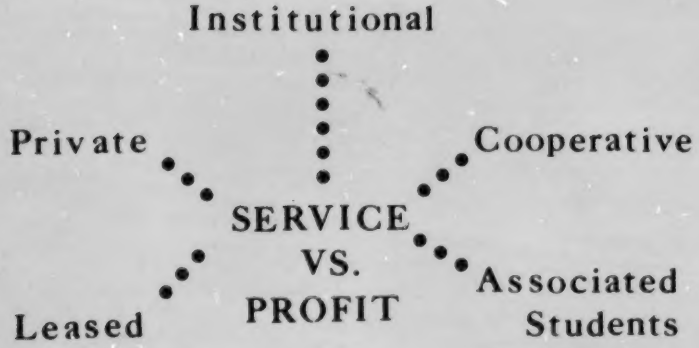
The well run institutions have identified the bookstore as an auxiliary service which is to provide reasonable services at a profit to be returned to the institution in some way. The institution must also define reasonable as it applies to both the services and the profit expectation. They have also recognized that competition, as well as the institution's willingness to treat the bookstore as a business, must be considered when formulating a philosophy.

The argument could be made that perhaps the store need not return the profit to the institution. What's wrong with a co-op which discounts or a store which gives the profit back to the student? Probably nothing if the store does not unfairly compete with local merchants as a general department store and if the profits really are returned to the benefit of the student in the form of scholarship money, or some other direct benefit.

But just to discount the merchandise in the college store to offer the student customer a cheap place in which to shop seems such a waste of a potential source of income which could really be used to benefit the entire student body in some way. This source of income might better be used to improve the quality of the educational program by providing a better college store on the campus. The question of generation and use of profits is one which must be resolved early in the development of a sound philosophy of operation.

Some Sample Philosophies

One of the very first needs of the institutional bookstore is to have a sound written philosophy of operation which is understood by the administration, the manager, the faculty, and the students. It need not be long and



PHILOSOPHY

complex but it should include the following points:

1. The definition of service in providing the necessary books, supplies, and convenience items.
2. Operation as a business following standard business procedures.
3. Conforms to NACS and NACUBO accounting practices.[2] This is a standard chart of accounts and report formats which have been adopted by the National Association of College Stores and the National Association of College and University Business Officers and becomes a basis for uniform financial reporting of bookstore operations.
4. Expectation of reasonable return on the investment by the college or university.

[2]*Financial Accounting and Reporting by Institutionally Owned and Operated College Stores*, NACS, 1976, Oberlin, Ohio.

Such a basic philosophy incorporating these points might be worded as follows for the smaller store:

> The institutional bookstore is expected to serve the university community by supplying the necessary books, supplies, and convenience items in support of the educational mission of the university. It will be operated as a business following guidelines as established by the National Association of College Stores and will conform to their suggested accounting practices. The operation will be self-supporting and will return a reasonable profit on the investment put forth.

It should be noted that each institution will need to develop its own philosophy for the bookstore, based on the institution's particular needs, proximity to the local business community, tax status, etc. Basic questions will need to be answered relative to the expected investment, rate of return, (profit), merchandise lines to be carried to help produce the profit, and allowable levels of competition with the local private business community. The bookstore may be the only real book outlet in many communities; this in itself may open an opportunity for many smaller colleges to provide an excellent service to local townspeople. A good book department will stock those books that have some market potential on the local campus, not necessarily every book the faculty member may wish to see on the shelves. Functions of the bookstore and the campus library are not the same. The bookstore is in business to sell books on a regular basis and can help the student to develop his own personal library for reference and pleasure. The college or university library is a repository of reference and source books. Certain types of books such as the Loeb Library series belong in the library to be perused by the student and scholar there.

A student-faculty advisory committee can help in liason between the bookstore manager and his clientele. It might also be helpful to have the library director on this committee.

The university or college should take a strong position in providing opportunities for student employment. It is advantageous for the bookstore to support this also, since the student is the primary customer of the business. Student employees can be hired as needed on a seasonal basis, they provide good staff members who have close rapport with the

Convenience Items Are Important
to the College Store Customer

clientele of the bookstore, and they can be a real public relations asset for the business. Generally student wages and fringe benefits will cost the business less also.

Students and faculty may also find the bookstore a good laboratory in which to work on advertising, journalism, marketing or other occasional class assignments. The administration and the bookstore management should work together on these educational possibilities since all can gain. One caution would be to leave the final control of such programs in the hands of the bookstore manager since he or she will be charged with the actual operation of the bookstore.

Let's take a look at several actual statements of philosophy from some institutional bookstores. These can be used as guides and may help to formulate some other ideas to be incorporated in a sound bookstore philosophy.

Philosophy Example #1

The first example is very simple and general in nature. Reference is made to only "necessary books and supplies," and no mention of other types of merchandise. The bookstore manager might interpret that emphasis be placed on "providing as much as possible to the general fund," which could suggest exorbitant prices, limited services, etc.

> "primary purpose -- to provide the necessary books and supplies at the right time and in the proper quantities. Secondary -- contribute as much as possible to the general fund of the University after operating expenses and new equipment purchases have been taken care of." [3]

Philosophy Example #2

A second statement of philosophy which follows is far better and speaks to the service expected and the use of profits derived from the business. It is evident that the store is to follow the tenets of good business. A student faculty committee is mentioned to guide the director in providing effective merchandising ideas. It is also clear that any excess earnings are to be used for student scholarships.

[3]Unidentified source

"Management of the campus merchandising programs at the University of North Carolina at Chapel Hill is given no formal commission relating to the generation of income. Nor does the university administration encumber management with any charge contrary to the tenets of good business.

Management proceeds, of its free will, under the philosophy that service is his reason for being. Management considers the enterprise to be a part of the academic community, and general books as well as textbooks are chosen to serve the education process.

Clothing and gift departments provide students and alumni with tangible things that reflect pride in the dignity of the University. Our trustees have established a student faculty advisory committee which meets monthly with the stores Director. Through minutes of the committee meetings, the Vice-chancellor for Finance is advised of suggestions or recommendations that the committee believes would render the merchandising program more effective. The stores Director is a voting member and is recording secretary of the committee.

The Trustees have also decreed that there shall be no distribution of stores earnings except as scholarships and grants to financially distressed students."[4]

Philosophy Example #3

This third statement which follows is comprehensive and spells out in detail what the expectations of the administration are toward this store. Stated are the merchandising and profit goals, as well as the use of profits to benefit the university community. Most statements of philosophy would not set an actual dollar amount to be expected from profits but would be more workable if expressed as a rate of return on investment.

The statement is broken into the following areas of concern: General Concept, Purpose of the Store, Clientele

[4]Philosophy of Student Stores of the University of North Carolina, Chapel Hill, N.C. Tom Shetley, Dir., 1979.

Serviced, Pricing and Merchandising Procedures, Sales and Services Programs, and Finance and Business Management. This is an excellent format and there is little question about what the purpose of the bookstore on this campus is.

The University of Tennessee
Book and Supply Stores
Operating Guideline
(a written policy)

General Concept

"The concept of a University owned and operated Book and Supply Store emerged in 1947 with the establishment of a store in South College, the store was transferred in 1952 to the Division of Student Affairs. It remains today, along with other auxiliary operations such as housing and food services, a part of the Division with the manager administratively responsible to the Office of the Vice Chancellor for Student Affairs.

The store was moved in 1954 to a prime location in the newly constructed University Center. With the completion of the addition to the Center in 1967, the store occupies its present quarters. Also, branch stores were established in Hess Hall and the Presidential Complex. A third branch store was included in the Holt Avenue Apartment Building completed in 1970.

Purpose of the Store

The purpose for establishing a University owned Book and Supply Store was to make available to all members of the University community these materials, supplies, equipment, and services which enhance the educational process. This purpose remains valid and unchanged; it is the reason for the continuing existence of the Book and Supply Store.

Clientele Serviced

As indicated in the statement of purpose, the Book and Supply Store exists to service members of the University community -- students, employees, and guests. This restriction of service is in harmony with the Campus Access Policy of the Board of Trustees and each entrance to the University Center, the location of the main Book and Supply Store has above it a sign which reads:

USE OF THESE FACILITIES IS RESTRICTED TO THE UNIVERSITY OF TENNESSEE STUDENTS, EMPLOYEES, AND GUESTS. THE UNIVERSITY RESERVES THE RIGHT TO REQUIRE IDENTIFICATION AT ANY TIME.

Except for special services, e.g. check cashing, customers of the Bookstore have not been required to present identification. Personal identification has not been continually required because of the absence of evidence which would indicate substantial patronage of the store by persons external to the University.

Pricing and Merchandising Procedures

While service to the University community is the primary objective of the Bookstore, a profit on sales is anticipated and usually realized. The following guidelines are employed by management in the pricing of items for sale:

1) Retail prices charged by the store shall reasonably approximate those charged by privately-operated stores offering equal or similar merchandise. More specifically, the store shall not charge prices so low as to bring it into unfair competition with private commercial enterprises or prices so high as to be unwarranted or unjustified by good business practice.

2) Generally, publishers' pricing policy (twenty (20) percent of gross on retail) shall be applied in the pricing of textbooks. Other lines of merchandise shall be priced according to National College Store guidelines as suggested by the National Association of College Stores (average of forty (40) percent gross on retail).

Quality merchandising or promotion of the sale of items is directly related to the success of a book and supply store. For this reason, the University has sought competent, creative, aggressive personnel to direct store operations. And it has been successful; the store and its personnel have been the recipients of numerous regional and national awards.

Although the University gives management substantial flexibility in merchandising, the following guidelines provide these personnel a policy framework in which to operate.

1) With the exception of periodic mailings to students and alumni, advertising by the store shall be restricted to the University community.

2) New and expanded lines of merchandise shall reflect the educational and service needs of members of the University community. New lines shall be recommended by the Manager and approved by the Office of the Vice Chancellor for Student Affairs.

3) Receipt of special discounts on selected items of merchandise, e.g., ballpoint pens, may be passed on to customers by means of sales promotions or "loss leader" promotions. Also, sales, when justified by good business practice, shall be permissable.

4) In order to relate approximately to the academic schedule of the University, store hours shall normally extend from 8:00 A.M. until 12:00 noon on Saturday. During "rush" periods and special events on campus store hours shall be extended as deemed necessary by management.

Sales and Services Programs

The Sales and Services Programs of the University Book and Supply Stores are reflected in the departmental organization of the store. The major departments are:

1) Text and Related Books. The purpose of the department is to make available to students books required or recommended by the faculty. Nonrequired books are provided to facilitate students' achievements of a broad general education.

More than 12,000 requisitions for required textbooks are processed annually. These requisitions represent approximately 350,000 new or used books. In addition to the required texts, over 2,000 titles are stocked under the "recommended" classification, and another 2,000 titles are stocked in the Scientific and Technical Reference Book section. Due to the tremendous growth and popularity of the paperback book, the store stocks approximately 20-25,000 titles. This broad selection of paperbacks is representative of the lists recommended by the American Booksellers Association and the National Association of College Stores.

2) Supplies. The supply department is provided to make available to students a wide variety of items needed in their courses of study. Most of these items are necessary to assist students in the preparation of class assignments.

The department includes art, engineering, and general school supplies. For example, in the Art Supplies section, several hundred items such as art pads, papers, canvas, brushes, paints, framing, pencils and palettes are stocked to meet the large course offerings. A large supply of engineering materials is also made available. These materials include paper, pencils, and drawing instruments. General school supplies number in the thousands.

3) Collegiate Merchandise. The rationale for collegiate merchandise is to supply the student requests for items directly associated with UT symbols and colors. Most students feel that these items are a necessary part of college life.

Items in this department include pennants, sweat shirts, jackets, tennis shoes, stationery, jewelry, and fraternity and sorority specialties.

Collegiate Imprint Merchandise
Is Important in the College Store

4) Records, Tapes, and Art Prints. In 1967 when the new store opened one of the departments requested by the students was a record department. Records are gradually being replaced by tapes. Blank tapes are required for the language labs and classroom instruction. Hundreds of art prints and posters are carried to allow the students to own reproductions and decorate their rooms inexpensively. Approximately two thousand records are carried along with several dozen tapes and several thousand blank tapes.

5) Sundries. The purpose of this department is to provide in a convenient location a variety of merchandise normally in demand by the students.

Most of these items such as candy, tobacco, magazines, etc. have been carried for the past 20 years. As the student enrollment increased and more requests were made to management, small lines of cosmetics and health and beauty aids were added. The non-imprinted gift items fulfill the day-to-day birthday and inexpensive party gifts students request.

6) Special Services. The purpose of this department is to provide students, faculty, and staff services and processing requiring special or individual attention.

These services include special orders for supplies and books, plaquing of graduation diplomas, rentals of

academic regalia, rental of typewriters and calculators, graduation class rings, and the binding of theses and dissertations. Also, the store provides a check-cashing service for members of the University community.

Finance and Business Management

As an auxiliary service, the Book and Supply Store is self-supporting. It must meet its operating expenses including salaries and fringe benefits, lights, water, postage, telephone, etc. and reflects in its accounts the depreciation of furnishings and equipment. A rental fee is not charged the main store as all surplusses generated support the operation of the University Center and Aquatic Center. The mean annual surplus produced by the store from 1967 - 1972 was $156,930.

All finance and business transactions of the store are governed by policies as established and promulgated by the board of Trustees and the State of Tennessee."[5]

Examining these three examples of current philosophy statements gives some idea of the diversity of detail which can be included. The philosophy statement sets the tone and direction of the store operation from the beginning and it is not difficult to see how it influences the quality of the operation. Thus the starting point whether reviewing an existing bookstore program or considering the establishment of a new one, should be the basic philosophy of the entire bookstore as set by the institutional administration with the consultation of the manager or director. Student and faculty input in the formulation is essential but the administration must maintain control and may wish to maintain direction.

[5]Philosophy of University Book and Supply Store, University of Tennessee, Knoxville, Tennessee, Wade Meadows, Director 1979.

Chapter Two

ORGANIZATION

The organizational structure of the bookstore may take several forms. Sample organizational charts and job descriptions can be found in the NACS Resource Center and can be borrowed at no cost to the borrower.[6]

The NACS Resource Center Provides Help You Need When You Need It

On some campuses the bookstore may be in the union building and the manager may report to the Union Director, either as a department manager, or a division manager. Some bookstores are totally separate operations on the campus and the manager may report to the Director of Auxiliary Services or another officer in the Business Affairs division of the University. This seems to be the best arrangement and the most productive. If the store is incorporated, is controlled by a student-faculty committee, or

[6]NACS Resource Center, National Association of College Stores, Oberlin, Ohio.

is a co-op, the manager may report to a controlling board which sets policy and direction.

Ideally the institutional bookstore manager should report to the Vice President for Business Affairs of the university. Even though the store may be in the union building, it should be treated as a rent paying tenant and should receive prime space since this can determine greatly the return on investment in the operation. A prime location on the campus insures the largest possible contribution of traffic and volume for the store. Since the bookstore will also be a complex operation, requiring a substantial investment, the manager should report to the administration at the same level as the union director, director of housing, and other significant divisions of the auxiliary enterprise area. It would seldom be workable to leave the bookstore under the control of a student-faculty committee, or the student services area. The bookstore is a business and belongs in the business affairs division of the university structure.

The bookstore manager must be given the responsibility to operate the bookstore. He must be expected to handle all organization, staffing, training, budgeting, and fiscal planning of the operation. He must be expected to adhere to university guidelines in these areas but must be encouraged to refine, improve, and expand the services which the bookstore can offer to the campus community.

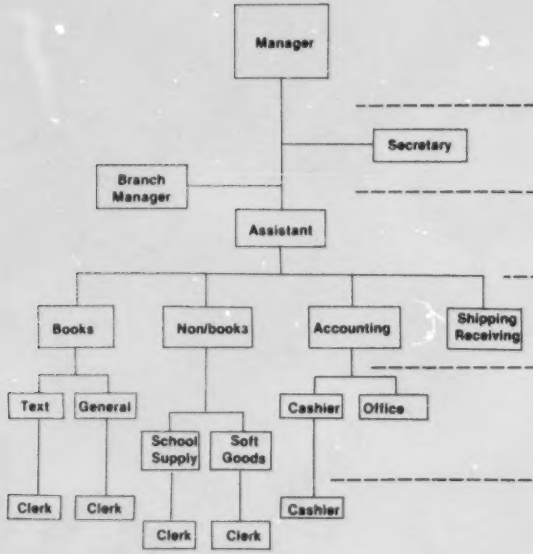
Bookstore organization, as shown in Figure #1 is pictured in three different size categories for discussion. The smaller store, with the limited staff is often a far more difficult situation to handle than the medium or large store. In the small store the manager and staff must be "jacks-of-all-trades" and errors when made, loom large. These people are generalists and must know a great deal about not only books and publishers, but also paper and school supplies, something of accounting, personnel, etc. Student help should be used to the maximum in these stores to help get the job done, and to help free up time for the manager to manage.

The smaller store will rely upon other areas of the university for many services. Some of these services may include central accounting, receiving, postal services, personnel office, etc. The store can be charged a reasonable portion of the cost of these services since the operation is not large enough to justify them exclusively but it would be ideal to share them with other areas of the university.

The medium size store can begin to show some real signs of splitting responsibilities and direction toward specialization. There is no magic dollar sales figure which divides the size categories but the staff must be expanded as

Figure #1

Bookstore Organization



Small	Medium	Large
Plans Organizes Directs Buys Sells Clerks	Plans Organizes Directs Buys	Plans Organizes Directs
Types Reception Sells Clerks	Types Reception Sells	Types Reception
	Supervises Trains Buys Sells	Supervises Organizes Trains Buys
	Sells Clerks	Supervises Trains Buys Specializes
		Supervises Buys Sells Further Specializes
		Sells Clerks

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the growth in dollar volume and demand for service increases. The medium size store will use more full time personnel for continuity in key positions, and will supplement that with extra help, temporary and student clerks.

Additional personnel must be added carefully as the business grows. Job descriptions may need to be revised and narrowed as demand indicates need for specialization. Careful analysis must be done to be sure productivity is maintained and good financial control is kept. The university auditor and systems staff can assist in reviewing job descriptions, forms design, and paper flow as the size of the operation grows and the number of staff members increase.

The larger store should be departmentalized into such areas as books, non-books, shipping/receiving, and accounting. These are a minimum, and may be subdivided even further, such as non-books to school supplies, art supplies, soft goods, gift items, greeting cards, magazines, etc. This departmentalization is essential for adequate control of inventories, sales and expenses. This departmentalization allows more delegation of the buying, merchandising, and inventory control to other members of the staff. Management must spend much more time training, supervising, and reviewing controls and budgets with key personnel and strong leadership is necessary.

In medium and larger stores the shipping/receiving function should be handled by the store staff for good control and security. Deliveries from vendors should be direct to the store shipping/receiving area. This saves time, handling, and reduces the chance for error. Security of the merchandise is also better controlled. As the store gets larger the S/R supervisor would normally report to the manager or assistant manager as a staff employee. Since this area handles all store merchandise it must be closely supervised from an operational and accounting standpoint. The quality of its functioning affect all other areas in the store and the efficiency of the total bookstore operation.

General accounting for the bookstore may be handled by the university accounting office, or the store staff itself. Regardless of size the bookstore should handle the pre-audit function prior to approving payment for vendors, and the daily cash reconciliation of the cash registers. Auditing controls can be built into both of these functions to guarantee accuracy and honesty of staff members. As the dollar volume of the store grows it will be necessary to expand the staff in this area to keep up with the increased paperwork.

As the store grows in size and complexity the employee moves toward becoming a specialist in some area or function of the operation. Like any business the key to success is identifying the potential of the employee and training and guiding him or her to a productive position in the organization which is satisfying to the individual.

Branch operations may be a part of some bookstore organizations. Central buying from the main store will give the best control over these operations. The branch manager will probably report as a staff employee. Branch operations open many other areas of concern such as cash control, security of stock when transported, supervision, etc. Weigh these factors carefully before expanding through branch operations.

Chapter Three

Equipment and Layout

It is suggested that the university provide the bookstore with prime space on ground level in a high-traffic area. A properly designed and well located bookstore can produce maximum sales over a long term. Labor and other expenses can be controlled easier in a properly planned store and flexibility can be assured for management adjustments to meet changing needs and conditions. Though the initial investment in planning and building the ideal bookstore may seem high, it will be repayed many times over through the succeeding years.

The National Association of College Stores has a manual available which is invaluable in the planning of a new bookstore or the remodeling of an existing facility.[7] When planning the store, sales space should be maximized and storage, office, and receiving space should be kept to a minimum. Sales produced will pay for operations, not inventory held in the storage area. There is some truth in retailing to the adage that a buyer tends to buy according to his storage space.

Inventory control problems are often one of the most pressing deficiencies in many college stores. Inventory is the area which accounts for a very large investment in merchandise which can become obsolete and worthless almost overnight. As the store grows in size and buying responsibilities must be delegated it's easy to lose this control. The physical plant does make a difference.

Proper planning of selling areas, good perimeter storage, well lighted and provided with good shelving can contribute a lot to making it easier to control that inven-

[7]NACS *Guide to Store Modernization*, Part One, National Association of College Stores, 1980, Oberlin, Ohio.

tory. Many stores lose thousands of dollars each year because they are using dark, crowded, remote storage areas which are difficult and inconvenient to work with. Some of these areas are not even clean or dry and should not be used because of the risk to the stock, but it may be the only space allocated to the bookstore for this purpose.

Clean, light, and dry storage is essential to the successful college store operation on any campus.

A few very basic considerations must be mentioned here. A one level operation is far cheaper to staff and operate than multiple levels. Expansion to multiple levels becomes very costly in many ways, and is a long term expense which may limit flexibility of the operation as the volume changes or needs change. Careful consideration should be given to the number and location of entries and exit for good security control, and the location of the refund and buyback area. Because of the volume of sales returns and used book buy-backs this is a unique problem to the bookstore which most retail businesses do not face. Carpeting, though expensive initially, creates an inviting atmosphere for browsing and shopping in the bookstore. These considerations are important in the design and development of the ideal college

bookstore and should be studied and researched thoroughly during the planning stages for a new or remodeled facility.

New and exciting things are being done today in the bookstores which are being built or remodeled on the college campus. There are several excellent arthitects who specialize in the college store field and one of them should be selected to work with the college store manager and the administration to help plan and design any major project of construction. Their expertise and knowledge is invaluable to insure an attractive and inviting functional bookstore for the campus. This job cannot be left up to a university architect or a general architect since the needs of a retail operation are very different than most other areas of the university.

The following list of equipment is suggested for consideration. The larger store would need multiple units of some of the pieces and no attempt is made here to suggest brand or manufacturer. Specific types of equipment are suggested where possible to help avoid problems in selection to fit needs of the individual store. Equipment should be replaced on a regular schedule to improve efficiency and service and new ideas should be researched thoroughly before proceeding to adopt new equipment or systems.

Equipment Checklist

Key

S — Small Store
M -- Medium Store
L -- Large Store

SML Cash Register -- Electronic, minimum 6 - 12 department total, cash/charge with side slip printer, check validation, tax program, receipt, detail ledger, multiplication key, auxiliary power system, drawer and cabinet locks, capable of accepting optically read price stickers. (for accounting control of cash, sales, and inventory) Must have locked in grand total, and department total capacity of $999,999.99 for inventory use.

SML Calculator -- Electronic, 10 key, sub total, total, memory, four function, 10 decimal place, visual display, paper tape ledger. (for office use)

SML Pricing Machine -- Electronic, 3-line minimum print head, alpha/numberic, automatic counter and shut-off, optical font type. (for printing adhesive price stickers)

SML Safe -- Heavy duty steel, combination lock, with key lock, must be fire proof, no rollers, one or more inner shelves. (for storage and safekeeping of working funds and records as necessary)

SML Typewriter -- Electronic, 15 inch carriage, pica or elite. (for office use)

SML Micro-wave Security Unit -- Silent alarm system tied to security office. (for protection of store during hours store closed.)

SML Check-out Counter -- L-shaped unit, compact 6 foot counter or less. (to hold cash register, bags, and other supplies)

SML Turnstile -- One or more at each entrance. (to control traffic flow in and out of Bookstore)

SML Display Units -- May be lighted if wall units, all shelves adjustable. (to display merchandise for sale)

Display tables -- 4 to 6 feet long or round.
Textbook islands -- heavy construction for strength.
Trade book islands -- light construction.
School supply islands -- wood shelves for strength.
Gift islands -- glass shelves.
Soft goods islands -- glass shelves.
Soft goods wall units -- hanging bars for hangers.
Textbook wall units -- heavy construction.
Supply wall units -- glass shelves.
Greeting card racks -- light construction.
Art board racks -- heavy construction, vertical display.
Paper cabinets -- metal drawers for fine art paper.
Canvas rack -- for art canvas and paper in rolls.
Brush rack -- vertical storage for art brushes.

SML Glass Display Cases -- Lighted, 6-foot glass cases, with glass shelves, and locking sliding glass doors. Storage drawers on bottom. (for display of small expensive merchandise)

SML Book Drops -- Cubicle book storage units. (for student books at each entrance outside turnstile)

SML Locker Units -- Self-service lockers with key for student use. (to supplement book drops)

SML Receiving Tables -- Heavy construction, formica tops. (to hold quantities of books and merchandise for receiving and pricing)

SML Steel Storage Shelving -- Assorted 18 and 24 inch deep, three foot wide, 7 feet high, well braced. (for storage of books and school supplies)

SML Tape Machine -- Measures, wets, and cuts tape. (for cutting heavy strapping tape for sealing shipping cartons) A dry pressure tape may be used also.

SML Roll Paper Cutter -- (holds and cuts kraft wrapping paper)

SML Art Paper Cutter -- with 36 inch blade. (to cut art papers)

SML Charcoal Stamp and Pad -- (to price textbooks safely and quickly) Price markings can be easily removed when necessary.

SML Two-wheel Truck -- Magnesium construction. (to move cartons)

SML Two-wheel Book Truck -- Single or double v-truck. (to move books to and from sales floor)

SML Four-wheel Wire Truck -- 3 shelf with large hard rubber wheels. (for stock work on the selling floor and to move merchandise)

SML Trash Bin -- Fire proof. (for shipping/receiving waste)

SML Heavy Duty Stapler -- (to staple book bags and cartons)

SML Heavy Duty Staple Puller -- (to remove staples from book cartons)

SML Charge Card Imprinter -- (to validate charge card sales)

SML Sign Stands -- 14 x 22 inches high. (for promotional purposes)

SML Standard Office Equipment -- as needed.

Desk	Book Case
Chair	Tub Files -- for inventory records
Desk Lamp	Stapler
	Pencil Sharpener

ML Postage Meter -- Parcel post meter, tape unit only. (for mailing packages) Books and merchandise to customers and vendors.

ML Postage Scales -- Parcel post scales, 100# capacity, lighted chart. (to weigh outgoing shipments)

ML Copy Machine -- Dry process copy machine producing 8½ x 11 and 8½ x 14 copies, capable of copying books. (for office use)

ML Time Clock -- Electronic time clock, designation in hundredths, by date. (for employee time records)

ML Telex -- Electronic telex unit with paper tape. (for communication with publishers and vendors)

ML Cutting Table -- Heavy construction. (to hold art paper cutter)

ML Hand Fork Lift -- double prong, hydraulic. (for movement of pallets of merchandise, cartons, fixtures, as necessary)

ML Pallets -- 2 x 3 foot. (for stocking quantities on sales floor and in storage)

ML Access to computer -- Through terminal and phone hookup. (for text listing needs and accounting functions

where applicable) A mini-computer may be used if available.

ML Lounge Chairs -- Employee lounge and general book department. (for browsing customers)

ML Public Address System -- (for communication with staff in all areas of store)

ML Word Processor -- For efficient handling of routine paperwork.

ML UPS Meter -- UPS meter, tape unit only. (for shipping books to customers or publishers)

ML Kingsley Machine -- (to imprint name cards, stationery, etc.)

ML Mat Cutter -- Professional machine type. (to cut mats for fine art prints, etc.)

ML Conveyor -- Motorized belt. (for moving stock between floors in multi-level operation)

Certain of these pieces of equipment must be selected on the basis of the control and security they afford in the handling of cash or other assets. This includes the cash register, safe, pricing machine, postage meter, and time clock. Others can help improve service and may help cut or hold down expenses. The telex, public address system, and art mat cutter fall into this category. Some types of security equipment such as coin-lockers, microwave security systems, or turnstiles may actually pay for themselves through a reduced shrinkage figure.

Chapter Four

The Produced Service -- What the Customer Sees

There are many types of services produced by the institutional bookstore. They are also produced in many degrees of depth and intensity. As an example, we would tend to think that all college stores would handle textbooks, but this is not the case since some campuses have rental systems on textbooks. They may even be handled by some area other than the bookstore. The bookstores in these cases should stock general books and can still promote a "book image."

The Good College Store Will Project the Book Image.

The customer should be encouraged to see the bookstore in this "book image." The store can promote books as educational tools, and should, since this is the primary reason for the existence of most college stores. In all cases the primary emphasis will be on the "required textbooks" for class use and a good deal of space will be devoted to this area. This area of service will include all required and recommended text books for class use whether clothbound or paperback, new or used, and will also include any reprints, lab manuals or other printed material to be used by the faculty member in teaching the class. Textbooks are normally placed in the back areas of the store to draw the customer past other types of high profit merchandise as they come and go from that department.

The non-text or general book department of the bookstore can concentrate on serving the leisure-time and reference needs of the campus community, including faculty, students, staff, and visitors. Perhaps even the larger community around the campus can be served by a good general book department. Subject areas can be covered here such as literature, poetry, drama, history, art, business, teaching aids, science fiction, mysteries, cookbooks, travel, reference, best sellers, remainder books, childrens, study notes, etc. Appeal should be aimed at the general reader and the emphasis should be on the type of book which would not necessarily be used in the classroom. Though it is possible some of these books may appear on reading lists, it is essential that the faculty as well as the customer see this area as a place to browse and buy books. The general book depart-

NACSCORP
Service for the National Association of College Stores
OBERLIN, OHIO

Why NACSCORP?

ment can be an appealing area in the bookstore and should be given a place of prominence to help project the book image to the customer and the campus.

It is now possible for even the smallest college store to carry a good selection of general books in paperback. These are available from NACSCORP, the wholly owned subsidiary of the National Association of College Stores, which now stocks about 35,000 titles from several hundred different publishers. Many of these titles are the kind which will appear on reading lists frequently and can be bought in very small quantities for general stock. In addition there are several other good regional wholesalers around the country which are becoming the source for the college store buyer who is smart. These wholesalers are taking much of the risk for inventory investment for the college store and offer good service and a broad list of titles to select from.

They are offering automatic shipment plans, best seller lists, catalogs on microfiche, and return privilege for the books which do not sell. The college store has little to lose by dealing with these wholesalers and a lot to gain in profit as well.

After the book needs of the customer are met he/she will look to the bookstore for certain general types of merchandise. These will fall into several distinct categories, but may be divided into the groupings of class related, or convenience items. Most will carry a margin of 40-50% and should be promoted aggressively by the store. General merchandise in the classroom related group will include such things as:

Art and Engineering
- Papers and boards
- Paints and mediums
- Brushes, pens, markers
- Drafting tools
- Jewelry tools
- Precious metals
- Canvas and silk
- Acetate
- Drafting tables
- Safety goggles
- Welding gloves
- Silk screen tools
- Sculpture tools
- Balsa Wood
- Easels

Audio Visual
- Recording tapes
- Transparencies

Office
- Accounting papers
- Rulers
- Scissors
- Graph papers
- Typing paper
- Term paper covers
- Notebooks

Miscellaneous
- Cameras and film
- Microscopes
- Magnifying glasses
- Calculators
- Typewriters
- Stethoscopes
- Computer cards and forms
- Lab aprons
- Test booklets
- Music paper

Audio Visual (continued)	Miscellaneous (continued)
Frames	Drum sticks
Colored markers	Directing batons
Teaching aids	Molecular models
	Chart pads
P.E. Equipment	Class record books
Shorts and shirts	Schedule books
Socks	Chalk
Supporters	Flip charts
Head bands	
Wrist bands	
Bathing caps	
Eye-glass holders	
Whistles	

Many other items can be added to this list. Generally the larger and more complex the course offerings on the campus the more the customer will expect the bookstore to carry these kinds of merchandise. For additional ideas on types of merchandise which might be considered for inclusion see the Buyers Guide published by the National Association of College Stores.[8]

The student, faculty, and staff expect to find a wide range of general office supplies of all types at the bookstore, ranging from paper clips to desk lamps. Some of these items fall between the groups of class related and convenience items, and should be offered in the widest range possible. These may be sold for the dorm desk, faculty office, or home use and any patron of the store is a potential buyer of such merchandise.

The student and alumni customer will expect to find a wide range of seal identification items at the bookstore. These items may carry the imprint of the university seal, mascot, or name and school colors, and should always be of the highest quality for the price. Such souvenirs should be in good taste, and the administration will encourage their sale and distribution to help spread the name of the university. These items would include such things as all types of soft goods, jewelry, glassware, pennants, decals, and other imprinted gift items.

The bookstore will be expected to offer some of the following special services:

Check cashing	Special orders
Plasticizing plaques	Metal etched diplomas

[8]*Buyers Guide*, National Association of College Stores, Oberlin, Ohio, February, 1981.

Matting and framing	Cap and gown rental
Pen repair	Charge accounts
Typewriter rental	Gift certificates
Gift wrapping	Copy service
Charge accounts	Magazine subscriptions
Book binding	Used book buy-back
Postage stamp sales	Laundry pick-up

There may be others to be added to this list depending on the type of campus. Many of these may not contribute directly to profit, but will help to generate traffic for the store and build good will. Some campuses will have specialized schools such as law, medicine, dentistry, nursing, engineering, or other professional colleges which will provide opportunities to add additional specialized types of services and merchandise. A branch campus, extension center, or university hospital may provide an opportunity to expand through opening a book and gift shop on the location.

Convenience items for the student may include such things as drug sundry items, snack foods, candy, posters and prints to decorate the dorm room, records and tapes, greeting cards, social stationery, and certain types of gift items. The university may wish to draw some type of parameters here to guide the manager in general buying and stocking decisions and to maintain good public relations with the local merchants.

Chapter Five

The Service -- What Goes On Behind The Scenes

Specific bookstore policy statements must be set out by the bookstore staff and reviewed with the administration as they relate to defined university goals and objectives. Some of the policies which must be established and published cover key areas of concern such as faculty textbook requests, returns and refunds, buyback of used books, check cashing, and the bookstore security program. The above policies become the basis for the everyday operation of the bookstore to provide the customer services necessary and to serve as a guide and give direction in making decisions. All administrations need and should support such policies and can evaluate the actions of the manager, and the business which he or she operates by checking some pars which we will discuss later in this chapter. The administration will not get involved in the day-to-day operations or technical merchandising activities of the bookstore but should exert control through administrative action in dealing with the professional bookstore manager.

Purchasing Control

Another behind the scenes function of great importance is that of purchasing. There are two possible alternatives to handling this area.

One method would be to have one or more professional buyers working under the purchasing laws of the state but reporting to the bookstore manager on a day-to-day basis. This system would work the best in the larger store where real specialization and control is possible. No buyer should be a staff member of the university purchasing department since many vendors will not sell for resale at a discount (wholesale) direct to the university.

A great deal of time and confusion can be saved if the bookstore staff are delegated the responsibility of direct purchase on all merchandise for resale. This is the most workable system. Responsible bookstore managers and buyers are delegated the authority to buy and then are charged with the responsibility of controlling their inventories, turning them over at a good rate to get a reasonable return on investment, and directing the merchandising of that inventory. These managers and buyers can react to demand as the market changes, can fill faculty and student requests promptly with a minimum of red tape, and can buy for the bookstore at the maximum discount available. They are able to satisfy many student and faculty needs that could not be done as efficiently through the university purchasing department.

The manager or assistant are buyers, merchandisers, and sometimes even clerks selling the customer. Each store and buyer should develop a rapport with reputable vendors and salesmen and a mutual trust. It is advisable for the small store to have at least two good vendors for each product line, with the exception of new textbooks. Larger stores may develop three sources.

Faculty Textbook Requests

The faculty are always the source for the original estimate of how many books are needed for a course. We assume they will base their estimate on their previous experience in teaching the class, the room size, type of course, etc. Many faculty members, however, will expect the bookstore to stock 100% of the number of books which they request. This is seldom practical even on a non-competitive campus, and never practical when a store has strong competition in textbooks. Some students do not buy books, others share, they shop other college stores, use library books, etc. The bookstore management must have the final say as to the actual quantity stocked, based on all of the information that can be gathered. The bookstore staff are the experts in the book business on their campus, not the academician. In a competitive situation the bookstore will develop a good idea of what its share of the local textbook market is. In most situations the private competing store will order light in foreign language books, government publications, imported books, upper level or graduate classes, and the non-returnable publications of committees, associations, etc. The private operator will concentrate on used books and the lower level courses where there is less risk and a larger student market. He or she knows that the institutional store will be expected to cover the

problem areas which are difficult and expensive to stock. Included in the appendix is a sample textbook order policy statement for an institutional store and a flyer entitled, *"A Guide to Bookstore Services for Faculty."*

Sales Returns and Refunds

The customer sales return and refund policy will vary from campus to campus. Non-textbook merchandise is seldom a problem and should be taken back for a refund at any time. Even if it is not defective, as long as it is in new saleable condition, the customer should be served by giving their money back. This returned merchandise accounts for a very small percentage of the total returns problem.

The real problem area is with textbooks, both new and used. Refunds in this area are complicated by last minute changes of faculty teaching assignments, the publisher shipping the wrong book which may get on the shelf, or perhaps clerical error. As a result, many students will want to return textbooks for a refund. Most stores will go at least 10 class days into the term and allow refunds on textbooks with a sales receipt, while others may permit textbook returns for as long as four weeks. Your refund policy may be shaped by the university drop-add policy, but whatever is done, your policy must be publicized constantly. The policy must encourage your students to:

1. shop around before they buy.
2. buy the correct books.
3. return the book early if a mistake has been made.

The bookstore cannot afford to re-order to cover a shortage in a class, and then find that they are giving refunds on copies of the same text, which were bought by other students in error. At the same time the bookstore cannot afford to indiscriminately give refunds on all textbooks for a long period during the term and thus a time limit is set.

The refund policy may be the greatest public relations opportunity available to the store, and needs to be well publicized through many mediums. Most stores probably give refunds each year which amount to between 2 - 4% of net sales, a sizeable figure which must be controlled.

Used Book Buyback

A limited number of college stores around the country are still offering a textbook rental system to their students.

The student would pay $20 - 25 per semester to get all of his books which are checked out to him at the beginning of the term. At the end of the term they are checked back in and re-shelved to be rented again next year or term. The store must have a guarantee that the books will not be changed by the faculty for 2 - 3 years so the store can make some money on the titles, or at the very least cover the cost of investment, labor, and storage. Many of these stores handle only hardcover textbooks and the student is still required to buy a number of paperback titles for his classes. The argument for the rental system is that it costs the student less money for books, but today it is almost certain that the college will end up subsidizing the program.

If the college store runs an agressive used book service on the campus what does it really cost the student for books? Assuming a minimum of faculty changes of title over a period of time here is what it can look like:

The student buys a new textbook for	$20.00
The store buys it back at the end of the term for 50%	$10.00
Cost to this student was	$10.00
The store reprices the book at 75%	$15.00
A student buys it used and at the end of the term sells it back to the store for 50%	$10.00
Cost to this student was	$ 5.00

This is one of the best methods of saving the student money. Each student after the first one only has an actual cost of $5.00 or 25% of the new text price as long as the book is used on the campus and still needed by the store to fill out its textbook inventory. The last student pays more because the book becomes an old edition or is dropped for the class and is of little resale value.

The used book buy-back policy is almost as important as the refund policy. All college stores should be in the used book business because of the larger margin of profit on used books and also because of the service which can be offered to the customers. The store should pay half-price for any good quality textbook which has been ordered by a faculty member in writing, and for which the store has a need. Need meaning that the store is not already overstocked with that title. All other books not on the "needed list" may be bought at "wholesale price" for the used book jobber.

In addition there are other real advantages to becoming an agressive merchant of used books.

Used books give the store a competitive edge. If the store does not have competition a strong used book program will tend to discourage others from coming into the market to compete. If you do have competition, promotion of used books is really the best way to stay ahead of them.

The student customer wants used books and will search them out at other stores, on the campus, in the dorms, or from his friends. He wants to sell his books for cash when he is done with most of them. The college store should work to control this market as much as possible.

The college store invests less in used book inventory, since the store normally pays 50% for this stock and not the 80% demanded by most publishers. At the same time the store prices the used book at 33 1/3 % margin (selling at 75% of list price) to make more money on the used book.

Though there is some risk in buying used books it is small since there are several large national wholesalers who will provide buying guides at no cost to the store. The store can actually make a good commission buying used books for one of these companies, and it is a good service to the student and faculty customer. And don't forget the faculty, since they often have un-solicited or extra desk copies which they would like to sell and the cash from these books might be used to restock departmental libraries.

When setting up the used book program the store has two options which could be used. One is to have the store staff do all of the buy-back themselves. This works well in the small or very large store especially, where number of titles is small or the staff is very specialized as in the larger operation. Another alternative is to contract with the used book company to come in to do the buy during final exam week. The companies will provide the cash, buyers, cartons for shipping, and have the expertise to make a very large buy go much smoother and easier than if regular store staff is used. The wholesale used book companies are experts in this area.

The administration can help the used book program immensely by insisting that the faculty indicate their adoptions early with the bookstore, since this is the basis for the buying list which will get the students half price for their used books. This can probably do the most to help reduce the overall price of books for the students. It also relieves a great deal of pressure from the bookstore and its staff to have a complete list early so the students are not upset at low wholesale prices. It's a good public relations opportunity if they can pay "top dollar" to the student for his books.

Check Cashing

The check cashing policy can help bring more traffic into the store. It should be convenient for the student and other customers to cash a check with a purchase. The bookstore may want to limit the amount so it does not become a bank. Some stores carry large check cashing funds which are used just to cash student checks as a service to them. The problem of tying up cash, as well as the security problem, must be weighed against the drawing power of the service to produce additional business for the bookstore. The manager and the administration must decide whether the bookstore is to be in the "banking" business. Some stores charge a service fee for check cashing to help offset the cost of labor, handling of bad checks, etc., and may also assess a penalty charge of several dollars if a check bounces.

Security

Another policy area of concern to the bookstore, as well as to the Administration, is the security program of the store. It begins with decisions regarding turnstiles for traffic control, key control for the bookstore, handling of shoplifters, and employee theft. The University administration should charge the bookstore manager with the responsibility for the bookstore operation, including the safeguarding of inventory, equipment, and other assets. The administration must support that commitment by keeping keys out of the hands of everyone except as approved by the store manager. A clear policy regarding the handling of theft of store property by the customer or the employee must exist. Shoplifting and employee theft should be handled ideally as civil matters with prosecution through the courts, just as they would be off the campus by the private merchant. The policy should be well publicized and apply to all; student, faculty, staff or visitor. There should not be a double standard and the policy should be enforced consistently. Most customers will understand when told that they all pay indirectly for the problem of shoplifting through higher prices. A strong consistent policy can help reduce the problem.

The foregoing policy decisions are basic to the operation of a good college bookstore. Three other areas of real concern are the area of inventory, cash control, and personnel. Each must be of major concern to the store manager and are of equal importance in maintaining an efficient and via-

ble business which continues to serve effectively its market.

Inventory

The retail method of inventory valuation is preferable over the cost method for purposes of valuation of the inventory. Using the cost method, items are priced with a cost code to be used to determine the value of the ending inventory, and the cost of goods is estimated each month based on historical figures from previous accounting periods. With the retail method of inventory valuation, purchases are booked at both cost and retail and a cumulative percentage determined each month to be applied to the ending inventory to arrive at cost of goods. The retail method also provides a better accounting of mark-ups and mark-downs which affect the profitability of the bookstore, and departmentalization by different types of merchandise categories is necessary to maintain control.

The administration must provide for the retail method of inventory valuation in the accounting function if they expect to have effective management. The system gives good detail to help measure margins, shrinkage, turnover and inventory levels. This is a management tool which helps both the manager and the administration keep a tight control of the bookstore inventory.

In addition to this system to help control dollars in inventory the store will need good unit control systems for all departments to help the buyer or buyers to make wise buying decisions on a timely basis. This might be as simple as an inventory card system for the smaller store, and the staff to help post and keep it up. This is where many administrations make a mistake of not providing enough labor to accomplish this task, which can make or cost the store thousands of dollars by not having proper inventory unit control records. The large store should be looking at the possibility of a mini-computer system to automate part or all of this inventory control. Prices on these computers are dropping to the point where they are very practical for many stores, and it is possible to buy both the hardware and the software as a package to handle many of the bookstore's control needs.

Use caution however. Do not be led into the use of university computer systems unless you have the absolute guarantee of the administration that the job will be completed and done right on a timely basis which will be useful to the bookstore staff. Many stores have been given promises only to find later, after spending thousands of dollars for extra

equipment such as cash registers, tag printers, cathode ray tubes, and special electrical wiring to the university computer, that the university did not give them the necessary priority and support to get the job up and running.

Proper inventory controls can help protect the bookstore's largest and most perishable asset. The inventory must be kept at a minimum based on need, it must be current for the market, and it must turn over steadily to be fresh. There is a saying in the book business that, "there is nothing deader than a dead textbook." A $20.00 textbook that is not going to be used on the campus and cannot be returned to the publisher for credit may at that point be worth close to "0," depending on what the store can get some customer or a wholesaler to pay for it. Many of these books have a highly concentrated market, are very specialized in nature, and when no longer on the course list have little appeal to any other potential customer. Good inventory controls can help to flag these items and can reduce the chance of the bookstore incurring losses on them.

Cash Control

Cash needs for the bookstore will vary from time-to-time, depending on the volume of business and good control systems must be developed to budget cash flow as well as protect both the cash and the employee handling it. Seasonal variations in excess cash and cash needs should be analyzed to make best use of this asset. During the first week or two of each semester large quantities of cash will be taken in by the bookstore and should be invested as possible on a short term basis until it is necessary to pay invoices due vendors. Some vendors will give the bookstore delayed billing on seasonal purchases and the store should take advantage of this. At the end of each term the store will need to withdraw a good deal of cash while they are buying back used books from the student body, and it may be necessary to borrow extra money to help finance this inventory. Analysis of this cash flow based on bookrush, buyback, and the need to meet store expenses in between, is essential and a measure of good management.

The store will experience extreme peaks in volume at the beginning of each semester and sales will be high. Large sums of cash must be removed from the premises on a timely basis and it is advisable to use a professional escort service if possible. Do not let cash build up in the cash registers so it attracts attention which may lead to possible hold-up. Large amounts of cash should not be stored in the

bookstore safe during this period either, but should be removed to the bank several times during the day if necessary.

Internal controls must be established to help minimize shrinkage. Shrinkage is the difference between the physical inventory (probably counted and verified once each year) and the figure as carried on the accounting records of the bookstore. Shrinkage is the result of a combination of employee theft, shoplifting, and accounting or employee error. An audit of the business by the university internal and/or outside auditor should be provided at least once each year. The audit should include cash counts, physical inventory and verification of value, checking of accounts payable, accounts receivable, merchandise in transit, etc. Both the manager and the administration should insist on this audit to help protect the assets of the bookstore and the manager's reputation. The auditors can be very helpful in pointing out weaknesses in the system, or uncovering employee theft, and are also helping to protect the manager, the staff and the institution by finding problems or preventing them from occurring.

Personnel

The personnel area is the other major area of concern which is very important to the success of the operation. The following tools are basic to any organization and must be updated at least once a year or as the need arises:

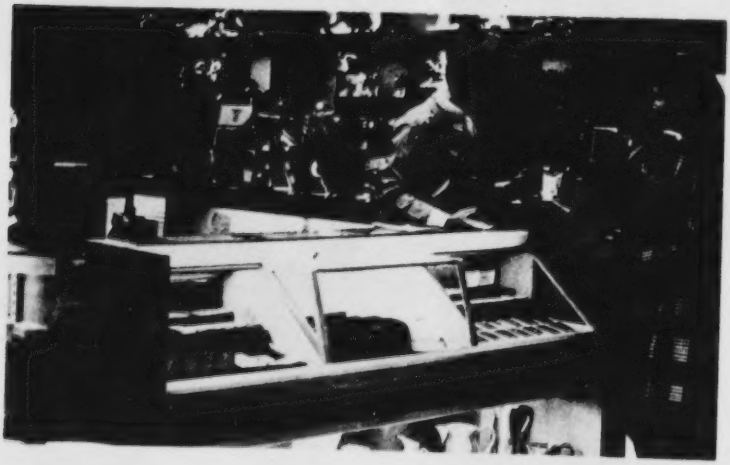
The Staff Manual -- Should include the basic information for the employee covering such things as a brief history of the bookstore, a statement of philosophy of the store, explanation of management's expectations of the employee regarding coffee breaks, dress, smoking on the job, reading on the job, use of time clocks, employee entrance, and any other items of importance to the development of a good staff member for the bookstore.

Job Descriptions -- Detailed job descriptions for every position in the store. University job descriptions may not suffice if written for "clerk" instead of "retail clerk." Job descriptions for the bookstore should be specific to the needs of a retail business.

Policy Manual -- Outlining in detail the policies discussed earlier such as returns, buyback, check cashing, security, as well as others.

Procedure Manual -- Outlining in detail how to perform certain functions in the bookstore such as cashiering, receiving, paying invoices, etc.

The above are minimum essential tools to insure continuity and consistency in training and development of a knowledgeable staff. Every bookstore needs them, regardless of size. Some samples to help stimulate the reader to action can be found within the appendix.



All Employees Must Be Trained as Professionals.

Professionalism is very important in all areas of the University community. Administrators can promote the professional development of their bookstore staff by allowing the budgeting of sufficient travel money for attendance at management seminars, trade shows, and professional meetings. The bookstore staff including the manager, has a difficult job, which requires knowledge of the current market, merchandise, merchandising methods, accounting methods, inventory control, personnel, security, etc. It is short-sighted to withhold money for continuing professional development of the management team. The potential to "make-or-break" a bookstore is directly related to the continued efficiency and growth of the management personnel.

Chapter Six

Chart of Accounts

The college or university bookstore should conform to the accounting format adopted by NACS and NACUBO as mentioned in the discussion of philosophy.[9] They have set out definitions to be used to establish a Chart of Accounts shown in Figure #2. Smaller stores may wish to consolidate some of the accounts to simplify their statements but the basic format should be followed.

The suggested format for the Statement of Income and Net Worth and the Balance Sheet are shown in Figures #3 and #4.[10] The store manager should have a monthly Operating Statement following the same format as the Statement of Income by the 10th or 15th of each month. This report should show monthly figures, year-to-date, and percentages to net sales for each item, compared with the same periods from the previous year.

Two other essential reports will be needed by the manager to have proper control of the operation. One is a monthly inventory report which can be derived from the monthly retail inventory computation. Most college accounting offices can quite easily adapt the suggested format to their system, or the report can be prepared in the bookstore accounting office if that is where the basic accounting records are prepared. Figure #5 shows a sample retail inventory computation format.

The other essential report is a yearly merchandise budget for sales and inventory control. It is an invaluable tool for planning of sales, purchases, and inventory levels. This merchandise budget is the guide which the buyer will follow to achieve his set goals for the year.

[9] *Financial Accounting and Reporting by Institutionally Owned and Operated College Stores, op cit.*
[10] *Ibid.*

Figure #2

Chart of Accounts

Asset accounts
- Cash
  - On deposit
  - Petty cash
  - Change fund
- Accounts receivable—*detailed as needed*
- Inventories (see Cost of Goods Sold accounts)
- Prepaid expenses
- Fixtures and equipment
  - Depreciation
- Deferred charges

Liabilities and net worth accounts
- Accounts payable
- Accrued liabilities—*detailed as needed*
- Due to other funds
- Net worth

Income accounts
- Retail sales—*detailed by department*
  - Refunds and allowances
  - Sales discounts
- Wholesale sales—*detailed as needed*
- Other income—*detailed as needed*
  - Applicable nonoperating expenses

Cost of goods sold accounts
- Purchases—*detailed by department and source*
  - Returns and allowances
  - Cash discounts
- Freight—*detailed as needed*
- Inventories—*detailed by department*
  - Markdowns

Operating expenditure accounts
- Personnel—*detailed by department, segregating storewide management and staff*
  - Salaries
  - Wages
  - Employee benefits
  - Payroll taxes, etc.
- Occupancy
  - Rent or building depreciation
  - Utilities
  - Cleaning, maintenance, and repairs
  - Real estate taxes and insurance
- Advertising
  - Rebates from vendors

Chart of Accounts *(continued)*

Operating expenditure accounts *(continued)*

- Telephone and other communications
- Stationery and supplies
- Data processing
- Depreciation of furniture, fixtures, and equipment
- Professional services
- Educational and buying meetings
- Insurance
- Other taxes
- Other operating expenses
  - Bad debts
  - Collection expense
  - Cash over or short
  - Credit card plan fees
  - Shipping and deliveries
  - Donations
  - Dues
  - Miscellaneous—*detailed as needed*

Nonoperating expenditure ("Other Expense") account—*detailed as needed*

Figure #3

Sample College Bookstore

Statement of Income and Net Worth

Year Ended June 30, 19

with comparative figures at June 30, 19

	Current Year	Prior Year
Gross retail sales	$1,183,000	$1,084,000
Less: refunds and allowances	33,000	30,000
sales discounts	10,000	9,000
Net retail sales	1,140,000	1,045,000
Wholesale sales	60,000	55,000
Total net sales	1,200,000	1,100,000
Cost of goods sold		
Beginning inventory	275,000	250,000
Purchases	1,047,000	961,000
Less: returns and allowances	120,000	110,000
cash discounts	4,000	3,000
Net purchases	923,000	848,000
Freight	2,000	2,000
	925,000	850,000
Total available	1,200,000	1,100,000
Less: ending inventory	300,000	275,000
Total cost of goods sold	900,000	825,000
Gross margin on sales	300,000	275,000
Operating expenses		
Personnel		
Salaries and wages	156,000	145,000
Employee benefits	12,000	10,000
Payroll taxes, etc.	12,000	10,000
Total personnel	180,000	165,000
Occupancy		
Rent	28,000	27,000
Utilities	4,000	4,000
Maintenance and repairs	4,000	4,000
Real estate taxes and insurance	4,000	4,000
Total occupancy	40,000	39,000
Advertising	4,000	4,000
Telephone and other communications	5,000	4,000
Stationery and supplies	8,000	7,000
Data processing	3,000	3,000
Furniture, fixtures, and equipment	12,000	8,000
Professional services	6,000	6,000
Educational and buying meetings	2,000	2,000
Insurance	1,000	1,000
Other taxes	1,000	1,000
Other operating expenses	1,000	1,000
Total operating expenses	263,000	241,000
Operating income	37,000	34,000
Other income	10,000	9,000
Other expense	(4,000)	(3,000
Net income	43,000	40,000
Net worth		
Balance at beginning of year	310,000	303,000
Net income	43,000	40,000
	353,000	343,000
Deduct contribution to scholarship fund	21,000	33,000
Balance at end of year	332,000	310,000

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Figure #4

Sample College Bookstore

Balance Sheet

June 30, 19

with comparative figures at June 30, 19

	Current Year	Prior Year
Assets		
Current assets		
Cash	$ 67,000	$ 74,000
Accounts receivable (net of allowances for doubtful accounts—current year $3,500; prior year $3,000)	40,000	35,000
Inventories	300,000	275,000
Prepaid expenses	15,000	18,000
Total current assets	422,000	402,000
Fixtures and equipment—at cost	74,000	66,000
Less: accumulated depreciation	16,000	30,000
Net fixtures and equipment	58,000	36,000
	480,000	438,000
Liabilities and net worth		
Current liabilities		
Accounts payable	78,000	80,000
Accrued liabilities	15,000	13,000
Due to other funds	55,000	35,000
Total current liabilities	148,000	128,000
Net worth	332,000	310,000
	480,000	438,000

Notes to Financial Statements

1. Significant Accounting Policies

Inventories. Inventories are stated at the lower of cost or market and are valued by the retail method.

Depreciation. Furniture, fixtures, and equipment are depreciated over the estimated useful lives of the assets (ten years for furniture and fixtures, five years for equipment) using the straight-line method. An adjustment of $26,000 was made in the cost of "Fixtures and Equipment" and the related "Accumulated Depreciation" reserve to remove those items that became fully depreciated during the current year.

2. Net Sales and Operating Income by Department

	Current Year	Prior Year
Net Sales		
Course books	$ 720,000	$ 660,000
General books	120,000	110,000
Student merchandise	240,000	220,000
Other	120,000	110,000
	1,200,000	1,100,000
Operating income		
Course books	2,000	2,000
General books	3,000	2,000
Student merchandise	23,000	21,000
Other	9,000	9,000
	37,000	34,000

To arrive at an approximation of operating income by department for purposes of the above presentation, common costs generally have been allocated to departments on the basis of net sales.

Figure #5

Inventory Working Papers

		Beginning Inventory	+ Purchases	+ Mark Ups	Available for Sale	Cost %
Textbook	Retail	$41,674	$107,390	$374	$149,438	79.6604
	Cost	33,239	85,804		119,043	
Used Book	Retail	2,307	25,535	141	27,983	66.7405
	Cost	1,525	17,151		18,676	
Trade Book	Retail	9,602	25,546	21	35,169	66.0696
	Cost	6,355	16,881		23,236	
School Supply	Retail	9,342	40,373	10	49,725	61.5727
	Cost	5,714	24,903		30,617	
Soft Goods	Retail	1,969	9,371	39	11,379	60.7259
	Cost	1,155	5,755		6,910	
Art Supply	Retail	10,376	16,948	145	27,469	58.5788
	Cost	6,034	10,057		16,091	
Greeting Cards	Retail	1,076	6,626		7,702	50.5064
	Cost	539	3,351		3,890	
Magazine	Retail	184	2,728		2,912	78.0220
	Cost	139	2,133		2,272	
Total	Retail	$76,530	$234,517	$730	$311,777	
	Cost	$54,700	$166,035		$220,735	

Shrinkage Provision — 1.5% of Net Sales

Net Calculated Ending Inventory at Cost

Figure #5 (cont.)

For Year Ending June 30, 1980

– Mark Downs	– Sales	+ Returns	Retail Inventory	Cost Inventory	Accounts Payable	Ending Inventory at Cost
$2,294	$109,877	$ 9,249	$46,516	$37,055	($3,391)	$33,664
1,906	24,081	1,548	3,544	2,365	($6)	2,359
810	22,779	161	11,741	7,757	765	8,522
223	40,139	263	9,626	5,927	686	6,613
472	8,687	100	2,320	1,409	843	2,252
428	17,636	189	9,594	5,620	141	5,761
114	6,486	4	1,106	559	42	601
37	2,693	11	193	151	3	154
$6,284	$232,378	$11,525	$84,640	$60,843	($917)	$59,926
						($3,486)
						$56,440

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Figure #6

Merchandise Budget

	1976-77 Actual	1977-78 Budget	1977-78 Actual
Sales			
July	$ 16,086	$ 16,890	$ 17,593
August	61,802	64,892	55,893
September	38,268	40,181	48,424
October	29,479	30,952	32,838
November	23,729	24,915	33,245
December	27,824	29,215	26,634
First Six Months	$197,188	$207,045	$214,627
January	$ 54,646	$ 57,378	$ 56,024
February	27,128	28,578	31,345
March	24,758	25,995	25,692
April	24,383	25,602	28,934
May	13,444	14,116	21,245
June	21,945	22,629	24,234
Second Six Months	$166,304	$174,298	$187,474
Total Year	$363,492	$381,343	$402,101
% Total Sales	30.0%	30.0%	32.0%
Inventory			
Turnover Goal 3.5			
Allowable Markdown/month	1.5%		
Average Inventory Goal (Retail)		$108,955	
Cost Ratio 60%			
Actual Inventory — Retail			
July	$142,502	$136,025	$130,933
August	114,142	111,585	108,827
September	104,430	111,585	82,448
October	106,122	111,585	108,505
November	130,730	115,171	93,580
December	117,100	111,951	109,660
6-Month Average	$119,171	$116,317	$105,659
6-Month Turnover	1.65	1.78	2.03
January	$101,928	$101,593	$ 85,655
February	91,647	101,593	89,451
March	105,870	101,593	110,760
April	98,460	101,593	97,330
May	105,496	101,593	129,333
June	129,088	101,593	151,050
12-Month Average	$112,292	$108,955	$108,128
12-Month Turnover	3.24	3.50	3.72

Such a budget should be prepared for each major selling department in the larger bookstore, or the entire operation in the small store. Any employee responsible for buying must be trained to use it. The format can be adapted to any size store and is shown in Figure #6.

To have control of the bookstore the manager must have the above reports as a minimum. They will assist him to buy and plan effectively for orderly growth of the business. The reports can either be generated in the bookstore accounting area or the university accounting area, wherever the staff is provided. It is essential that it be recognized that the accrual system of accounting be used for all bookstores since this gives a true picture of the business operation. It may be necessary to modify the fund accounting system reports to adapt to the bookstore's needs. The above illustrations also assume that the retail method of inventory valuation will be used, since this is the most effective valuation system for a retail business.

Chapter Seven

FORMS FOR THE COLLEGE STORE

Several fiscal forms are necessary for the proper control of the assets of the college store.

Purchase order -- The bookstore should have its own purchase order form, designed specifically for the store, with the following key areas:

- Consecutive pre-numbering assigned
- Vendor address location
- Shipping instructions
- Terms of purchase
- Method of delivery
- Store name, address, phone number, telex number, standard account numbers, FEIN number, etc.
- Specific printed instructions regarding insurance charges, latest editions, paperback editions, etc.
- Space to type quantity, description, price, ISBN, etc. in body of order form.

All vendors will recognize this order form as being from a business and will allow a discount for resale off the list price of merchandise. Most vendors would not allow the maximum discount for resale (wholesale price) if the items were ordered on a University Purchase order. A separate purchase order for the bookstore also insures that the merchandise will be delivered directly to the bookstore, and will not spend time working its way through the university receiving area.

The form should be designed as a carbon snap-out form with enough copies that:

1. The original can be sent to the vendor, signed by the authorized buyer or manager.
2. A second copy is filed numerically by the accounting office for control.

3. A third copy is used for receiving of the merchandise, and authorization for payment.

4. A fourth becomes the record for the buyer.

5. A fifth may become the request to return unsold books. (optional)

6. A sixth may become the packing slip for the return of unsold books. (optional)

Such a purchase order form incorporating the request-for-return and packing slip can save the smaller store a lot of duplicate paperwork and labor when it is time to return unsold books to the publisher for credit. It makes it much easier to get the un-needed books out of the inventory and recover the credit or cash for reuse in the future.

Return form -- If the return form is not incorporated as a part of the purchase order then a separate return form will be needed to handle this area of the book operation.

Payment voucher form -- A payment voucher form of some type must be used to control the issuing of payments to vendors and publishers. The form should be numerically controlled and must have a place for the departmentalization of the merchandise paid for, which corresponds to the sales categories used on the cash register. The cash discount allowed, and the freight paid on the shipment (if included on the invoice) must also be indicated separately on the payment voucher. The signature of the store manager should be required for approval before payment is made. Some systems may require a co-signature.

Four separate forms will be necessary in the sales area.

Error form — It is necessary to have an error form or over-ring form for use by the cashier and supervisor controlling cashier errors and keeping a proper record. This form becomes a basic control of both employees' activities to insure that manipulation of funds does not occur at the cash register.

Charge form -- A charge form to be signed by the customer when making charge purchases is necessary, and must be numerically controlled. This form should also be a snap-out carbon form. NCR carbonless paper forms should not be used since most copy machines will not pick up the print on copies. The charge form should be designed to be validated on the print plate of the cash register, and might also be designed for use with an embossed plastic credit card.

Refund/buyback form -- A refund/buyback form will be needed for issuing customer refunds or buying back of used books from the student. One form can be used for both of these operations. A snap-out form, pre-numbered for control,

should be used. This form will require a space for the signature of the person receiving the money, and the person paying out the money, and must be validated on the cash register for control.

Reconciliation of daily sales -- A standard form for the reconciliation of daily sales in balancing out the cash register can be used. The format of the form should include the breakdown of cash and charge sales, discounts allowed, tax collected, departmentalization by selling department, and cash over or short. It is assumed that the bookstore will be departmentalized as far as practical for sales purposes, and at a minimum the smaller store records will be broken into books, and non-books. As the store gets larger and more complex, sub categories can be added in these two areas.

Several operational forms are necessary for efficient management of the bookstore.

Textbook requisition form -- This is the form which the faculty member will complete and send to the store when he decides what books he wishes the store to stock and his students to buy for class. The form should be a carbon snap-out form and would include a copy for the faculty member or department files, the store copy, and copy for any other competing stores in the campus area who are full-service textbook stores. The full-service textbook store is that store which stocks all required and recommended books for all classes on the campus.

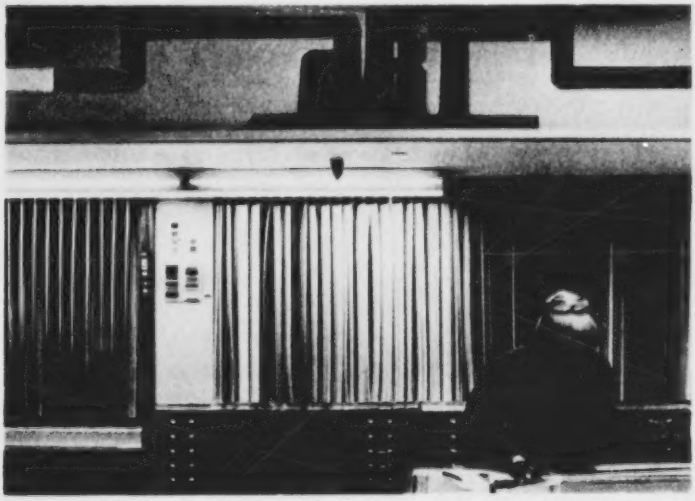
This may be the place to mention the problem of cooperation between the institution and all competing bookstores in the campus area. Exclusive orders from individual faculty members or departments given to one store, to the exclusion of other bookstores, should be discouraged from the start. No one gains by these exclusives, least of all the student. The college or university administration can insure that all stores have equal access to the information. If the stores are all provided identical information about textbook and supply requirements, even at a fee of some kind, then all stores can compete on an equal basis. Students and faculty will patronize the store which provides service, selection, and quality at a fair price, so all stores should be encouraged to be full-service bookstores servicing the campus community. All of the stores will be better stores and probably more profitable in the end.

Faculty Notice -- It may be desirable to have a simple form to send to the faculty member regarding out-of-stock or other textbook order problems. This can ease the job of communication with the faculty members regarding such problems, especially as the number of titles, or the size of the textbook operation grows.

Special Order form -- A special order form should be provided for the use of the customer to order special books or supply items. The best type of form seems to be one which includes a post card copy which can be used to notify the customer when the special ordered item arrives in the store for him.

Shelf tags -- A shelf tag of some design will be necessary to identify the books for the individual classes each semester.

Unit Inventory Control forms -- A good unit inventory control form must be used in both the book and non-book areas for unit control of the merchandise. This can be either a card or sheet depending on the preference of the buyer, but the forms must be posted up-to-date at all times and become the basis for intelligent buying decisions and are the heart of a good inventory control system. Though these systems may seem expensive to set-up and maintain, they are very cheap compared to the money that can be lost by not using them. The losses will emerge very soon in the form of obsolete or excess inventory when these systems are not used and used properly. As mentioned earlier the mini-computer may soon replace some of these systems, especially in the



Unit Inventory Forms Are Necessary To
Control the Thousands of Books and
Supply Items Stocked in the Typical College Store.

larger stores. But the smaller stores will probably still find it beneficial to maintain simple unit inventory control systems which can be handled by their staff at a minimum of expense.

Samples of most of these forms are shown in the *NACS Manual of Operations*[11], and a reprint is included in the appendix entitled *"A Guide to Bookstore Services for Faculty."* This guide shows several sample forms and has some additional information which might be of interest to the reader.

Several forms are necessary in the area of personnel administration.

Application form -- Care should be taken that the form conforms to current requirements of law as applicable to each particular institution. This form becomes the basis for the personnel records and the employment interview. It is desirable to use different forms for full time and student employees, since the supervisor will need the class schedule or free times when interviewing the student for possible employment.

Time Records — Time records, payroll, and tax withholding forms are necessary in all operations and are standard in format. Compliance with the requirements of the law are of primary importance.

Evaluation forms -- These forms may be helpful to measure the growth and development of the employee in meeting the requirements of the individual job. In a larger store a specialized form may be helpful to gauge the effectiveness of buyers who are also merchandisers to measure such things as improvement of sales, inventory levels, turnover of inventory, etc. The campus personnel office staff may be helpful in designing such evaluative tools.

[11] *NACS Manual of Operations*, 1977, National Association of College Stores, Oberlin, Ohio.

Chapter Eight

Means of Evaluation

There are several areas in which we need to do some evaluation on a regular basis to measure our effectiveness as managers in achieving our goals. One of these is the area of basic statistical analysis. Much of the needed information can be derived from our monthly operating statements and inventory computation. The manager should chart and compare such key items as sales, both gross and net, to be sure the budget expectations are being met. In the Cost of Goods section, the inventory as well as markdowns of old or obsolete merchandise and markups should be charted on a monthly basis and watched very closely. Will the level of turnover of inventory be reached that was set in the budget? A shrinkage allowance should be provided for in the computation of cost of goods each month.

Gross margin (net sales minus cost of goods) should be charted each month by selling department to determine if prices are being maintained at the proper level. This is a good check on the profitability of each department in the store.

In the expense section of the operating statement the most important item to watch is personnel costs and it may be necessary to chart this by pay period. This will allow us to react quickly if necessary to be sure we stay on budget.

It is necessary that we keep track of all of the above key elements of our financial operation on a timely basis, and thus there is a requirement for monthly operating statements and inventory reports for the bookstore manager. If adjustments are necessary in any area they can then be made before a real problem develops.

It would be helpful on a yearly basis to keep track of the following items by selling department in the store: net sales, gross margin - dollars and percent, markdowns - dollars and percent, shrinkage - dollars and percent, turnover,

and sales per square foot. Payroll costs per dollar of sale by department would also be helpful. By working closely with these key figures each year we can set realistic budgets and work for constant improvement of our operation.

The smaller store may not have easy access to all of the above detail but should try to compile as much as possible to build a history of performance to predict future growth and for comparison with industry norms. These norms can be found in the *NACS Merchandising and Operating Survey* which is published each year by NACS.[12] This is a detailed statistical analysis of the industry and lists extensive data on five groups of stores depending on size as measured in dollar volume of sales. The report includes the following tables:

1. Operating Summary
2. Departmental Sales
3. Departmental Gross Margins
4. Departmental Inventories and Stock Turns
5. Operating Expense
6. Personnel Data
7. Sales Per Square Foot of Occupied Space
8. Individual Store Sample

Reference to this report should be by stores of all sizes since it is currently the most comprehensive survey available to the college store industry.

Another financial survey is also completed each year by members of the Large Stores Group, which includes all stores who have sales in excess of $3 million dollars each year.

A means of evaluation which is helpful in the college store is the customer survey. This can be aimed at the student customer who frequents our store as well as the faculty member on whom we depend for information. The survey can be used to check the quality of our services, products carried or desired by the customer, store hours and policies. In many cases it may be possible to have a class do such a survey as a project and to build good public relations through improved understanding of the bookstore and its function and goals on the campus.

Another means of evaluation is by the thorough analysis of any complaint registered by a customer. It would be hoped that these complaints will be minimal, but it would surely indicate a problem if the same complaint were expressed repeatedly by several customers, or if the same complaint comes up each term or semester regarding a given policy, or problem. These expressions of customer dissatisfaction should be taken

[12] *NACS Merchandising and Operating Survey*, 1980, National Association of College Stores, Oberlin, Ohio.

seriously and corrective action be taken to build a positive image of the bookstore. The bookstore needs an on-going program of public relations to build customer goodwill.

Chapter Nine

Some Pars for Comparative Purposes

As mentioned earlier, the most beneficial pars for the college or university bookstore to measure against are stated in the *NACS Merchandising and Operating Survey*. This tool improves each year and is useful for comparison with our own operation.

In addition the manager should be aware of some other more specialized pars which are published by other trade associations. The American Booksellers Association has statistical information available on general bookstores.[13]

Much of the information they have available is helpful in measuring the effectiveness of a college store general book operation.

The National Art Material Trade Association has figures available specific to art material stores.[14] Larger college stores with highly developed art departments would find these figures helpful in analysis of their operations in this area.

The National Retail Merchants Association has figures available on the department and specialty store industry and many of their statistics are helpful to the manager in the larger college stores.[15]

The professional bookstore manager will study all of the above statistics to learn as much as he can about the industry pars. Knowledge of these standards will allow him to do a better job of meeting his goals for the bookstore.

[13] *ABA Membership Profiles*, American Booksellers Association, 1981, New York, New York.

[14] *Store Survey*, Art Material Trade News, February, 1979, New York, New York.

[15] *Financial and Operating Results of Department and Specialty Stores*, 1979, National Retail Merchants Association, New York, New York.

Chapter Ten

CONTRACT OR IN-HOUSE?

The alternative to the institutionally owned college store, other than privately owned, is the leased store on the college campus. There are currently about 30 companies now in the market to lease certain types of college stores. The number has been growing, perhaps as a result of the many problems faced by some of the smaller and medium sized stores and their unprofitability. The lease operator may be brought in to correct some of these problems when the college administration no longer wants to try to solve them internally.

For the institution to determine adequately whether a store should be leased or not, all of the tools which we discussed earlier such as written policies, procedures, job descriptions, and staff manuals would still be needed. If the institution or its management does not take the initiative to develop these, then the store probably should be leased since they are the basis for a sound management program. The responsibility of the lease operator is identical to that of the institutional manager; to provide the right quantities of the right books at the right time, along with other services deemed desirable and necessary by the institution. The only difference is where the profits from the operation go!

The lease operator may take advantage of a central accounting system, central buying, and management experience to control the leased stores and protect the profit margins. They can share expensive resources among several small operations and spread the cost as well as the benefits.

Most lease operators would probably like a store which has a gross volume of $250,000 per year but some will contract for college stores doing as little as $75,000 per year. The typical store would have a mix of 55% books and 45% non-book merchandise. They would try to hold the payroll expenses to less than 12% per year. On a college campus with

a dormitory system they would budget to generate about $200 per student in sales and on a community college campus $100 or more per student. The lease operator would aim for a net profit before taxes of about 8% but would be more concerned with the actual return-on-investment.

We must keep in mind that each campus and bookstore operation is to some extent almost unique with variables which the lease operator will consider. Therefore, leases may vary from campus to campus depending on circumstances.

One of the prime requisites that the institution must maintain is the image that the store projects. This will be determined to a great extent by the kind of controls which are included in the lease. It is vital that the store remain a viable and attractive service arm for the academic community, and not just a profit center. Conversely, the store must show continued growth each year, with a reasonable return on investment, fresh inventory, and sound management is vital whether institutionally operated or leased.

P. Richard Litzsinger, President of the Follett Corporation of Chicago makes the following statement regarding the case for leasing, "Like their institutional counterparts, the lease operator requires competent management for success. Outside of standardization of procedures, buying power, and the ability to supply larger numbers of used textbooks, the single most important difference in methods of operation evolves around the incentive system. Lease operators reward competence and refuse to put up with mediocrity. Because of the refined, timely, and accurate accounting data, they are in the position to fairly measure performance."[16] Mr. Litzsinger is correct, and many of the very things he mentions in the above statement could be provided any good institutional manager by his administration, but many administrations just do not adequately provide the manager with educational opportunities, direction, and support. These administrations are too complacent about excellence, and it is easier for them to lease the store than to take the responsibility for its proper management. The question of a fair profit, minimum investment in inventory, public relations, and other costs associated with the bookstore can all be handled by the administration which decides to do so, and which allocates the proper resources to do the job right the first time. Others will choose to lease.

[16]Litzsinger, P. Richard, in a speech at Central Association of College Auxiliary Services meeting in Muncie, Indiana, 1974.

Necessary Controls

The lease agreement should be written on terms as set by the institution and these must be outlined in advance. Here are some of the necessary important controls to include and to check for strength:

Inventory Valuation -- At the time of transfer from the institution to the lessee the institution must reserve the right to have a third party assist in the valuation of the inventory for transfer. This will protect the assets to be sure the institution is given fair market value for the goods transferred.

Fixture Valuation and Care -- If the fixtures are to be used by the lessee, the institution must be sure to have some provision written into the lease to protect these assets so the lessee maintains them in good repair and uses them with reasonable and prudent care. Value of the fixtures should be reflected in the rent charged the lessee.

Reading Key Control -- The Institution should maintain control of the "Z" key to the cash registers, (the master key used to clear the locked in totals from the cash registers each year at time of audit.) This gives positive control of the base data used to compute the rental fees during the year.

Rental Fee -- The rental fee for the bookstore, and the fixtures if included, should be based on a graduated scale which will improve as the volume of the store reaches periodic steps. This will insure that as the business grows the University will receive a fair increase in rents as reflected by the value of the total business generated by the lessee.

Policies -- The institution must have a voice in the formulation of the basic policies set by the lessee regarding such issues as refunds, buyback of used books, quality of merchandise, and mix of stock.

Staff -- Present staff members of the bookstore must be maintained for a trial period by the lessee if they are qualified. The institution and the lessee must agree before the signing of the lease what the basis will be for terminating existing staff members of the bookstore.

The institutional representative will want to be sure the above points are covered in detail in the lease and understood by both parties. It may be necessary for the institution to have their attorney modify the lease as first presented by the prospective lessee.

Chapter Eleven

The Manager of the '80s: A Profile

Previous chapters of this book have discussed the college store of the '80s and what it must be like to meet the challenges of the decade. These challenges are going to be greater than they were during either the sixties or seventies due to growth trends of the population, effects of inflation, costs of doing business, advanced and changing technology, and consumer pressures.

Bookstore managers need to prepare to make some hard decisions which may affect their stores for years to come. Here are some ideas as to how they might prepare to make those decisions and what they should strive for to become more successful managers. If college store managers and supervisors do not become more professional in their jobs, some are not going to move ahead -- let alone survive in their chosen occupation.

The key question they need to answer is, "How can I become more professional? How can I guarantee that my decisions will be sound?" Depending on where they are right at this moment in their careers, there is probably a slightly different answer for each of them. It is assumed that all of them do consider their job a career, and that they do really aspire to get ahead!

An article in the National Art Materials Trade Association Newsletter by Stan Obermiller says:

"A noted management consultant once analyzed the character of troubled companies. He found that business people who get into trouble generally have much in common:

"There is a climate that has a 'let's-leave-things-alone-feeling,' one that is obviously against change or new ideas.

"It is a place where the top person does everything himself or herself. If there is a middle management level, they are given very little real responsibility.

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(Of course it then means that the top person lacks managerial skills.)

"There is a general attitude that nothing can be learned from competition. The officers or owners don't belong to trade associations or attend association meetings."[17]

The problems that this consultant has seen in management exist today in many colleges and universities, and in their college stores! It is past time to face up to the realities of the real world and give the college store the support and nurture that it needs and deserves! The eighties can be a profitable period for the colleges and the bookstores if they prepare now and accept the challenges as opportunities.

Some of the ideas put forth in this chapter are self-improvement types of things. Others will involve staff and store needs. The suggestions are aimed at all store personnel, at any level of management, with a large or small staff, and from a small or large store environment. Most of the ideas would also carry over into the areas of food service, housing, or other auxiliary enterprise departments.

Administrators and managers need to encourage all staff members to increase their opportunities for advancement and and self-improvement. Chuck Thodt, Director of Special Services for the National Association of College Stores says, "Would it be in order to suggest ways that managers can encourage their staff members to increase their education, professionalism, reading, and civic activities?

"I am sure some managers may look upon these suggestions as being only applicable to the boss, when the overall operation could be improved if more people were involved. I see the same difference in approach when I study the attendance at the NACS Seminars. Some stores send only the manager, and no one else comes until there is a new manager.

"Others will send key department heads and some stores seem to send every full time employee over a period of years."[18]

The latter stores are really promoting professionalism, just as all stores should. Think for a few minutes about the professionalism of the college store manager and staff member.

They are dedicated college store employees because they probably chose the occupation themselves. They like books and working with people, enjoy being near the educational

[17]Obermiller, Stan, NAMTA *Newsletter*, 1978, New York, New York.
[18]Based on personal correspondence between Mr. Charles Thodt, Director of Special Services for NACS and the writer, May, 1979.

center, and feel a sense of accomplishment in bringing books and people together. Even those who work in other departments of the bookstore other than books should still have that same sense of accomplishment in their job.

Isn't it true that their professionalism is really the key to acceptance, fulfillment, and even to monetary reward from the job? Granted, they may have to be willing to move or change jobs to increase salary, but there is a great demand for experienced management personnel in the college store industry. All store personnel want to see salaries go up in the field and a high level of professionalism can help immensely in reaching that goal.

Professionalism is always reflected in the appearance and operation of the bookstore. It is there on display for all to see and judge! There is no way to hide it, and it also reflects the quality of the institution served. How many administrators or business managers have really taken time to consider this important fact? Your institution is mirrored in your bookstore!

Besides the physical evidence of professional development which can be seen in the bookstore, you should agree that professionalism must grow from a sound ethical base in dealing with staff members, vendors, and the public. It is highly exemplified in the way managers deal with others. This is a personal challenge which each staff member must deal with, sometimes under great pressure from others, and often at some risk for themselves. There is no characteristic more important than honesty and integrity in business dealings.

There are nine important areas of activity which bookstore management staff should cultivate to be "tops" in the college store field. The college administration must support and encourage development of all of these.

Education

Let us start with the topic of education. It is not by chance that it is number one. Our businesses are on or near a college or university campus. What better place to carry on a self-improvement program? Some bookstore staff members are even given tuition free classes as part of the fringe benefits package. Is your institution encouraging them to take advantage of this to pursue a continuing education program toward advancement?

But even more basic is the question, how many staff members have an academic degree? There is a move toward increased emphasis being given to degree requirements in the college store field. The field of study used to be of secon-

dary concern to many college store personnel employers. It is evident today that it would really help staff members to have a degree in one of the business related disciplines.

Whether it is an Associate Degree, a Bachelor's, Master's or beyond is limited only by the time and ambition of the individual staff member. An advanced degree is the best "insurance" for the future and will probably mean a higher salary. Look at the job listings in the NACS Confidential Bulletin and note the increased emphasis being placed on degree requirements.

Remember also that the college store serves a clientele far more sophisticated than the average retail business. The employees' degrees can give a certain confidence when they are working with students, faculty and university staff. They have been through the rigors of a college education and beyond, and can relate directly to the problems of the student or faculty member. There is no reason for bookstore staff to talk-up to the faculty member, in many cases they will be on at least an equal educational footing, and in some cases perhaps even above.

On a more specific level a good basic education designed for the college store staff member can be obtained by attending the NACS Management School and the Advanced Seminars.

The Management School is a course of study lasting a week each of three successive summers. The School curriculum has been refined over a period of thirty-one years with the help of many of the leading store managers in the industry. The program is accredited by the Council for Non-Collegiate Continuing Education and CEUs are awarded participants upon completion.

Advanced Seminars have been developed around the topics of Personnel, Financial, Medical, and Merchandising. They are generally offered over a weekend in different parts of the country each spring.

NACS sponsors jointly with the American Booksellers Association a Booksellers School. This course is a must for any general book department employee or manager.

In-service programs are important! The new NACS Standards for Professional Staff quotes Peter F. Drucker from his book *Management*:

"It is the responsibility of the employer to provide continuing training -- it creates receptivity for the new, the different, the innovative and the more productive. At the same time, training mobilizes the experience and the knowledge of the employee for constructive improvement."[19]

[19]Peter F. Drucker, *Management*, Harper-Row, 1974, New York, New York.

As an employer does your institution and bookstore fulfill that obligation to the employees?

Customer education in the college store market is an ongoing requirement for all staff members. This includes the education of students, faculty, staff, and community. Each store needs a well planned public relations program which will fit the budget. This involves the development of different kinds of media to be used whether it be flyers, brochures, ads, posters or radio.

Each store has a new group of freshmen and transfer students coming in each year. Does the bookstore staff make every effort to advise them of all policies and services?

One good way to do this is by providing the campus orientation office with free folders. Provide them with bookstore educational materials printed inside the covers and a campus map on the back showing the location of the bookstore on the campus. Include such things as refund limits, use of book drops, store hours, and many other policies which students will need to be aware of. Remember, too, that if the bookstore staff can convince these students to shop with the store when they first come to the campus, they may have them as regular customers for four years or more.

When was the last time the bookstore manager called on faculty members or deans in their offices? Occasionally go to them, don't always wait for them to come to the bookstore. A good time to do this is when the store distributes textbook requisitions forms to the academic departments. Take time to discuss the needs of the faculty and some of their problems. Offer the services of the bookstore staff to help meet some of these needs.

Has the bookstore manager appeared at a faculty meeting lately to explain the bookstore services to them, services which could help make their jobs easier? Doctor John Sawhill, President of New York University, speaking at a recent NACS Annual Meeting in New York said:

> "It seems to me that college stores really have to be considered more than ever before as a very important part of the educational process."

Part of the job of the administration must be to help convince the faculty of that fact! The college store manager will need a great deal of support in this area.

Most colleges and universities have almost as many non-academic staff members as faculty members. Bookstores need to draw them in as customers. They include secretaries, custodians, and food service workers among others. These people are on the campus every day, twelve months each year and are an important part of the educational community. The support workers can become some of the bookstore's best customers.

The bookstore staff can reach them easily several times each year through campus mailings to advertise sales, explain services, or promote such special areas of interest as children's books.

The bookstore may also draw customers from the local community, even though many times the college store is restricted in its advertising and promotion to this segment of the market. If the bookstore promotes heavily to faculty and staff members it is more than likely that word of mouth advertising by them will bring a good deal of extra traffic from their friends in the community.

The bookstore manager should become a noticeable member of the community. Encourage them to sell themselves and the bookstore to the town. Be sensitive, however, to protect the college or university relationship with the local businessmen since they also serve the campus in many ways. These businessmen need to understand why the bookstore is doing business on the campus and that it will not compete unfairly.

Earlier mention was made about different media to use to educate the many constituents of the college bookstore. Consider a few questions on this subject just to get you thinking about your campus.

When was the last time the bookstore shopping and merchandise bags were redesigned? Do they convey an image of the bookstore which the customer can identify immediately?

Has the store adopted a good solid logo which is easily recognized and known on the campus? Do they carry it through on letterhead, posters, and other advertising materials whenever possible? Does the bookstore have a set newspaper logo and border which is always used to make ads distinctive?

Has the bookstore tried radio and TV advertising? Can the bookstore market more effectively if they split the advertising money between newspaper and other print media and radio? Do they use co-op money to expand the advertising budget?

One of the most effective customer education programs should be the open-door policy. Managers and supervisors must be knowledgeable about the college bookstore and the book business and be willing to state facts and talk about issues of concern to customers. This can be done on a one to one basis with the student or faculty member as the opportunity arises, or any other interested group.

Reading

The professional college store manager or staff member needs to read extensively. That doesn't mean just books . . . the tools of the trade need to come first! Reading costs

little other than time, and though time is of value, that value can be enhanced many times over in the future by reading the publications in the field relating to the college store market. These include some, if not most, of the following:

> *The College Store Journal*, the *College Store Executive*, *Chronicle of Higher Education/ Chronicle Book Section*, *The American Bookseller*, *Publishers Weekly*, *Educational Dealer*, *Office World News*, *Art Material Trade News*, *Visual Merchandising*, *Geyer's Dealers Topics*, *Impressions Magazine*, and *Antiquarian Bookman*.

It is understood that the college store manager or supervisor will need to spend a lot of time browsing through many of the vendor catalogs and flyers which will arrive through the mail each day. And of course any leisure time reading of current literature, fiction or non-fiction, will allow the manager to talk more intelligently with the student and faculty customer.

Travel

The administration needs to be supportive of travel for the college store manager and supervisors or buyers, and its importance cannot be over emphasized. Travel is the best way to learn by actually observing for oneself. The college store manager should be taking the following kinds of trips several times each year.

First, to visit other college stores in the area -- all kinds of stores, private, institutional, large and small. Managers can learn a great deal from just visiting the friendly competitor across the street. The college store manager should be shopping the competitor regularly, not because they don't trust him, but just to see what may have been missed. Learn how aggressive he's been seeking out used books, discover new signing, or note a change in store hours which may affect the business of the institutional store.

The bookstore manager can collect ideas from other bookstores on layout, effective displays, merchandising, and product mix. Sample forms, advertising pieces, and other ideas can be collected during the visit. Some of these may be useful to improve the local campus operation upon return to the store.

Second, store management should visit manufacturers such as paper converters, soft goods companies, publishers, or any other suppliers in the area. Many stores have such sources near and visits allow staff members to learn about

specific products or lines which they may be able to add to the bookstore stock.

The medium and larger stores offering more than basic course related merchandise should have members of their staff attending regional gift shows. All college stores should have staff members attending the NACS Annual Meetings. They should also be sending managers and buyers to the NACS Regional Meetings since these meetings provide a great opportunity for them to see what is new in the marketplace.

College store management can learn from the major retailers in the area also. These companies are among the leaders in researching and adopting new point-of-sale systems, merchandising ideas, and business concepts. Watch for those ideas which can be applied in the college store.

Documentation

A fourth measure of the manager's professionalism is the bookstore documentation which will be developed and kept up-to-date. This will cover the philosophy as mentioned in chapter one of this book and the areas of policy, procedure, staff manual, and job descriptions as covered in chapter five. In addition it will be necessary to build a good base of financial documentation. This has been covered in chapter six and in many cases will be the beginning point for the next important concern.

Planning

It is essential to look ahead both on a short term as well as on a long term basis. Think ahead about the daily and weekly operations of the college store. How can the manager and staff handle the day to day operation the most efficiently and provide the best service to the customer? Organization is the key! Organization comes through planning and cannot be done on the spur of the moment after the fact.

Extra time needs to be spent on long range planning when faced with the question of future growth, remodeling or a major purchase of equipment. This planning may necessitate a number of meetings with other staff members of the store or even outside experts.

Involvement

Involvement is an area which needs to be developed by the professional college store manager and supervisor, both in professional associations such as NACS, as well as in regional, state, or local organizations. Staff members need not

only to attend, but also volunteer to serve on panels or take part in programs when possible. These activities will help to contribute to the personal growth of the staff member and can be a valuable learning experience. They are a source of leadership experience and provide a chance to develop public speaking ability. The college administration should support this involvement since it helps to publicize the institution.

Surveys

Our industry needs the participation of every college store to help set industry pars. Some of these were covered in chapter nine. They can be a great help to any store, especially the smaller stores, since they are in the majority and have the most to gain by having a good standard to measure against.

Accreditation

The other important tool which has been developed by the NACS Education Committee is the College Store Accreditation Program. The eight schedules to be completed are detailed and require a thorough self-evaluation of the bookstore operation. Completion of these schedules is followed by a visit from an accreditation team who will spend time with the bookstore staff to evaluate further the operation.

It is only then that the administration and management really get an objective opinion of the quality of the bookstore and its service to the academic community.

The key emphasis in the accreditation program is the term "self-evaluation." It is intended that the bookstore staff will dig out and organize a great deal of detailed information about the total operation. Staff members will know where the store has been in the past, where it is at the present time, and what future plans are. If only part of the schedules are completed the store can still receive credit toward partial accreditation, and the rest can be completed in later steps.

Accreditation and preparation for it may be the one thing that can truly do the bookstore staff the most good in preparing for and meeting the challenges of the eighties. The intention of the program is to jolt the bookstore staff and the college administration into action, to develop the documentation which should be basic to the operation, or to revise and up-date what they may already have. The goal is that accreditation will make a poor store good, and a good store better.

Contribute

Bookstore management's contribution is vital to the future growth and strength of the college store industry. Managers need to share knowledge and experience with staff members and peers in the industry. All can learn from one another through shared experience.

If we ask around the campus we can find many people who approached the sixties and seventies with some real reservations. If we analyzed them carefully we would probably find that they got from those years results equal to about what they put into them personally. Is your college store manager and staff ready to meet the challenges of the eighties?

Chapter Twelve

Recognition and Salaries

During the last twenty years salary surveys have been periodically conducted by the National Association of College Stores, the Association of College Unions International, and the College and University Personnel Association. The results of these surveys indicate that the college or university bookstore manager is not paid an equitable salary and that the bookstore is often treated as a stepchild of the college union or the auxiliary services area. The bookstore manager is often paid well below the food service manager, the programming director, and usually ranks far below the faculty or administrative positions on the campus. Proper recognition has not been given to the bookstore manager for the responsibility and importance of the position.

No doubt some of this inequity in pay scales and recognition is a carryover from earlier days when many of the smaller and less sophisticated stores had part time staff or a "faculty wife" who ran the college store. In all honesty some of these stores were not well managed at the time. But a great majority of these stores have changed drastically within the last ten years. They are now complex operations, managed by better educated individuals who are more professional in their work and service to the academic community. Even today, more sharp young people with college degrees are entering the field of college store management than ever before.

The college store industry is a strong book oriented and service based education/related business which is still growing rapidly. The store is an asset to the campus and should be as valuable as the library in providing books and services essential to meet the educational mission of the college or university. There are now many stores doing as much as $3 - 5 million dollars each year in sales and the industry as a whole does more than two billion dollars in sales of books

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and educational related merchandise to the academic community each year.

Each college or university administration should look at the bookstore operation on the local campus. The bookstore manager or director is a real specialist and unique to that educational institution. The manager cannot be fit into a slot with other university employees in the general administration, food service, clerical, purchasing, or housing area.

The college store manager or assistant is a business person and an educator! Who else on the campus is charged with the responsibility of buying textbooks, general books, school and office supplies, soft goods, and convenience items. Who else on the campus is a merchandiser of such a wide range of goods and services? The college store manager must be able to hire, train, supervise, and build a team of a number of specializing employees in a combined business/educational environment. It may be necessary to work within civil service, state, or other personnel systems, and the successful manager must understand human relations. The college store manager must be an advertising specialist, using newspaper and radio media to promote the merchandise and services to the local college community.

In addition the manager is expected to be an accountant, understand and control the handling of inventories, cost of goods sold, expenses, and handle other financial matters. Public relations with student, faculty, and staff is a large part of the college store manager's job. And the rest of the week is spent in planning and organizing the business activities to keep the operation running smoothly and to provide a high level of services to the educational community.

How much profit or return on investment does the college store produce? The return from many stores is equal to a fine endowment for any institution.

What will the status of the college store manager of the '80s be like? Most managers are better educated and prepared for the job than ever before. The salary paid by the administration to the college store manager should be given the same rank as an academic department head and on a larger campus equal to that of a Dean! The salaries and fringe benefits must be at the same level also. This is the greatest single thing the college or university can do to insure a strong college store on the campus of the '80s, one which will meet the challenge of the decade, and serve the needs of the academic community.

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Various Sample Philosophies from College Stores.

Appendices

Sample

Policy Guidelines for Operation
of the Textbook Department*

The textbook department shall have as its primary objective making available a supply of textbooks adopted by the course instructor for each student desiring to purchase a copy.

Every reasonable attempt will be made to insure that an adequate supply of textbooks will be available for sale, either new or used, at the lowest feasible cost. In cases where the supply is inadequate to meet unexpected demands, special efforts at no extra cost to the purchaser will be made to acquire additional units necessary to quickly meet current demands. Telex will be used extensively along with telephone to meet this demand. Emphasis should always be placed on the used book.

The basic guideline for estimating market demand for textbooks shall be the anticipated enrollments to arrive at estimated market, the anticipated enrollment number shall be used to order/purchase new or used copies to cover the class needs.

The institutional store seems to have about 70% of the local market. We should use the following general guidelines in ordering to achieve an even larger percentage:

Low level classes -- order 70%
Upper level classes -- order 60%
Recommended books -- order 20% or a minimum of 5
Imported books -- order 80%

(Portions of this statement are adopted from one used by the University of Texas Co-op in Austin, Texas.)

*Assumes store located in a competitive situation

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Sample

Policy Guidelines for Operation
of the General Book Department

We have relatively little control over textbook adoptions or recommended books which the faculty suggest we carry. However, textbooks would represent about 4,000 titles of about 19,000 which we stock. This leaves about 15,000 titles over which we have almost complete freedom of selection, and can vary within limits.

The book department exists to offer service to the customer. It is in the area of general books, both cloth and paper, where we can offer a well balanced selection of basic reference books supplemented by best sellers, new titles, and general reading material. We can establish our own guidelines, show creative display of a selection of general books, both adult and childrens'.

By offering variety we can automatically satisfy many requests, those titles not in stock can be special ordered as requested to satisfy the customers' needs.

We should display face-out where possible, advertise and promote regularly, and attempt to turn over our stock at a steady rate. With the choice of titles now available we cannot afford to stock and display titles which do not move. If it is not selling, this should be proof enough that a title is not worth the space, time, and labor necessary to display and stock it.

Marking down titles to move them is expected as a solution to trim stock or prune slow movers. Length of time which a title is to be carried can be established arbitrarily; perhaps one year, maybe 6 - 9 months, depending upon the title or on the publisher and the rate of turnover.

We must determine our own basic stock list. What sells now or is popular today may not remain on our basic list next month. A dead title should be dropped when there is no longer a demand. Many classics or reference titles may be carried continuously, if demand proves them to be worth stocking.

We can offer complete book service, but we need not attempt to carry all books published. Space dictates that we carry only the best for our market, and supplement our stock with a special order service.

Basic stock will be determined by: demand as indicated by special orders or requests, popularity of author, classics

or reference titles, suggestions of faculty or students, or other experience. Decisions on stock will be made by the General Book Department Manager, and recommendations of the Textbook Department Manager or the Director of the Bookstore. Status of stock and turnover will be reviewed periodically by the buyer and changes must be made continuously to provide a current representative stock which can be well displayed and merchandised.

Sample

Policy Guidelines for Operation of the Supply Department

Our primary concern in the supply area must be to provide a well-balanced, fairly priced, selection of quality merchandise. We should maintain a basic stock, supplemented with special seasonal, or sale items, and can back this up with a special order service.

In the general merchandise area we should provide school, office, art supplies, and convenience items which are essential in the pursuit of a well rounded college education. Some merchandise would carry the school mascot imprint, University Seal or some other means of identification with the University.

Additional items in the gift and novelty area will be stocked, but should always be quality merchandise, supplied by reputable suppliers. Space to store, display, and merchandise may be a determining factor. We also consider private businessmen in the area and our competition with them. These lines of merchandise must appear on the list as approved by the Governing Board of the Bookstore. Any decision to add new lines of merchandise must be approved by the Director of the Bookstore.

All items are to be recorded on inventory control sheets showing date, stock-on-hand, quantity ordered, cost price, selling price, vendor name, and descriptive information. Inventories must be turned over within a reasonable length of time. We cannot afford to invest funds in stock which does not move. Mark-downs should be taken to move dead stock or seasonal items.

We should buy for discount only when we can justify the space needed for storage, funds invested, and the rate of sale of the item. Buying cycles should be established and minimum and maximum quantities determined on all basic stock items. We cannot afford to be out of a basic stock item.

Convenience items will include such things as imprinted soft goods, greeting cards, posters and prints for room decoration, drug sundries, records, and a limited line of gift items.

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Sample

Periodicals Policy*

The bookstore must serve the student in his dual capacity as a member of the general reading public and as a member of the academic community. In his first role the student can be served by making conveniently available to him those periodicals which are already obtainable elsewhere. In his second role he can be served primarily by providing him with periodicals of intellectual and professional significance which are not normally available at newsstands.

Within the limitations imposed by space, the bookstore will sell those general interest national circulation periodicals for which there is adequate demand. Since convenience is the rationale for offering these publications, demand should be the only criterion for determining which periodicals will be stocked.

The bookstore will sell those quality periodicals in the academic disciplines which are recommended by the various departments. This should not include journals of professional societies which are published for members rather than for newsstand sale. Limitations of display space may justify discontinuing those periodicals which rarely sell.

When space makes it impossible to stock all periodicals for which there is demonstrated demand, those periodicals must yield which evidence the least maturity and intellectual quality in their offerings.

Our students must be viewed as adults preparing themselves for responsible roles in a complex, heterogeneous society. They cannot react to this society in an enlightened manner unless they have the opportunity to acquaint themselves with conflicting ideas and patterns of living. To withhold from them sources of information is to contribute to the creation of a less tolerant, less cosmopolitan, less urbane society. The bookstore will not refuse to stock periodicals of serious intellectual intent because of unconventional ideas or forms of expression. If a periodical is deemed objectionable those who disapprove of its sale should present their case to the Bookstore Advisory Committee. As is true in court of law, the burden of proof must fall upon those who seek to withdraw a periodical from circulation.

Periodicals which do not conform with standard return or discount policies may be excluded from the Bookstore.

*Bookstore Advisory Committee, Northern Illinois University, 1969.

Periodicals Sell Well in the College Market
and Should be Stocked in Stores of All Sizes

Sample Policy

Security

Check Cashing

Due to the number of forgeries which have been charged back against the Bookstore check cashing account, it appears necessary to do the following things: (1) The limit is now $10.00 above the amount of the purchase; (2) Checks will be cashed for students only when accompanied by a valid student I.D. card carrying a photograph which can be used for positive identification. Temporary identification cards will not be accepted; and in cases where the customer does not have a student I.D. Card, a driver's license will be accepted if the description is carefully checked and if a second piece of identification such as a major credit card or dormitory food I.D. card is also shown as proof of signature.

If the customer objects to providing this identification or to the $10.00 limit, he/she should be referred to a local bank for service.

Closing Security

At store closing time on weekdays or Saturdays, it is the responsibility of the Assistant Managers on each level to be sure all doors are locked and the area is secure for the evening. Assistant Managers should not leave the area before the Supervisor in that area has checked all storage areas, and they should take primary responsibility for reading cash registers in the area.

Good security of the employee exit necessitates an Assistant Manager remaining on the lower level until all student clerks and cashiers and regular employees have left the upper level of the store. All personnel, including managers and supervisors must leave by the employee entrance and may not exit through the customer entrance on the main floor of the bookstore.

1. All employees will come and go via the Bookstore Employee Entrance.
2. A bookdrop will be provided near the employee lounge. All employees must deposit their personal books and supplies in this bookdrop. No employee will be allowed to carry books and supplies through the store. Coats must be hung on the coat racks provided and may not be placed on the book drop. Lockers can be

provided to those employees who request them; they provide their own padlocks.

3. All employee purchases, either cash or charge, will be made at the information desk on the lower level. Full time employees will be granted a University credit card if they apply at the accounting office. Purchases will be held at this area until store closing time when they can be claimed as the employee leaves the store.

Sample Policy

Buyback of Used Books and Customer Sales Returns

Buyback

All quantity buybacks will be posted on inventory control cards to keep figures as accurate as possible regarding inventory levels. It would appear that we should cut off buyback, rather than speculate and buy for the following or a later term. With the number of titles now carried and the frequency of changes, we cannot afford to overbuy used books.

1. All buyback receipts must have the student's signature and I.D. number printed on the numerical receipt. This receipt must be signed by the buyer and initialed by the cashier. The receipt number will be recorded in the front of each book bought back from the student.
2. Books will only be bought back from customers who are able to produce valid identification with a photograph.
3. Be sure to check the stolen book list. If you have any doubts about ownership of a book please call the department manager.

Customer Sales Returns

Merchandise returned for a refund should be accompanied by our sales receipt and should bear our price markings.

Cashiers are asked to emphasize that the customer should keep their receipts in case of a need for a refund, and the receipt should be handed to the customer when the transaction is complete. Any receipts left in the cashiering area or dropped and discarded by the customer should be picked up and destroyed.

In case a customer returning merchandise cannot produce a receipt, as long as the merchandise bears the current price sticker, the clerk should use discretion in authorizing the return. If there is a question or doubt the return should be approved by the department manager.

All returns must be picked up several times each day by clerks to be replaced in stock in the proper selling department.

Master Charge and Visa returns can only be accepted as a credit against the customer's account; cash refunds will not be given.

Sample Procedure

Accounting

Cash Control Procedure

The combination and key will be held by the assigned Assistant Manager and Supervisor. Key only will be held by the Head Cashier.

The safe will be unlocked by combination approximately fifteen minutes before store opening time. Two check-outs on the sales floor will be set up by the Manager in that area. It will then be the Head Cashier's responsibility at store opening time to see that each of the other cashiers get her own till. The Book Department will pick up their two tills from the Head Cashier and set up their own registers at store opening time.

Each cashier will fill her own cash drawer at opening, and will remove the days receipts from the drawer at closing time. Use only the cash bag provided, which is numbered to correspond to your register. Registers are checked several times during the day for change and detail tape needs.

At closing time, the Head Cashier or one of the Assistant Managers will ring out all of the registers except one or two which will be left until the store is locked and all customers are cleared from the store. The majority of the registers can be rung out a few minutes before closing time, provided that traffic is not heavy. The cash register tape should be placed in the bag with the receipts from the day, which will then be delivered to the accounting office by escort.

Registers should have detail and receipt tapes checked, dates be reset for the next day, drawer left open, power off, and the machine covered at closing time.

Cash Escorts

The auditors have requested that each time any cash is moved between areas of the building an escort be used. If security officers or accounting staff are not available to accompany you, ask another bookstore employee.

During peak periods of the year special cash pick-ups will be made several times during the day. Accounting office staff will be used along with uniformed security officers and your supervisor will be with them at the time of the pick-up.

Sample Procedure

Service Desk

Personal Charge Sales

1. Pull out charge form from the drawer marked "sales invoice."
2. Take the customers charge card and check the void charge list. If his/her name is on the list, you may not charge on the card. Also check the expiration date of the card to be sure it is not an expired card. New cards are issued by the building accounting office.
3. Endorse the charge slip with the person's card and fill out the right hand portion as follows: date, check "personal" and initial the form.
4. Personal charge cards are coded as follows:

   376-38-0498 6/80 = Account # and Expiration date

   Maria Valdez ND = No discount allowed
   413 Maple Drive T = Tax charged
   Chicago, IL 60115
5. List the items being bought, listing the quantity, department, description and price of each. Use a general description of the merchandise to be brief. When listing desk copies, be sure the title is specific enough to facilitate a return. Mark the charge as a "DESK COPY" on the form.
6. Place the charge form on the validation table of the cash register, line up printer, and ring the merchandise on the machine by amount, department, and be sure to note if any items are tax-exempt such as magazines or labor. Sub total the sale, record tax, total, and remove the form from the cash register. Have the customer sign the charge form and compare signature with the charge card.
7. Staple the gold copy of the charge form to seal the top of the bag and allow the customer to leave the service desk area. Place the rest of the copies of the charge form in the "charge" drawer.

Sample Procedure

Service Desk

Department Charges

1. Department Charges are identified by the coding after the account name. For example:

   Geology Department D NT

   The symbols are as follows:

   D -- 25% discount on school supplies, 10% on books
   ND -- No Discount
   T -- Tax Charged
   NT -- No Tax Charged
2. Check the special discount sheet taped to the counter, and the void list.
3. Take a form from the drawer marked "Charges." Place the charge card and the charge form on the addressograph and press the roller across both to print the form. (Note -- Personal or Department form)
4. Fill out the right hand corner of the charge form with the date and your initials. Indicate purchase order number if the customer has one.
5. List the items being bought by quantity, department, price each, and a brief description. All charges must total a minimum of $1.00.
6. When ringing up the items on the cash register, place the form on the validation table, line up the printer, and follow the code on the charge card. For instance:

   D NT = 25% discount on SS and no tax

   After the items are rung, subtotal, enter tax if necessary, and depress "Charge" key. Indicate discount, and total the sale.
7. Make sure the customer signs the charge form, and check the signature.
8. The customer receives the bottom, gold copy of the charge form which should be stapled to the bag to seal the opening at the top. He/she can then leave the service desk area. Place the rest of the charge form in the "charge" drawer.

Sample

Staff Manual

Out-of-Stock

All out-of-stock situations which are discovered should be brought to the attention of the appropriate department manager.

As time allows, areas should be dusted and straightened. Students should work with full-time clerks in the various areas. All areas where stock could be -- perimeter, stock room, etc. -- should be checked before reporting it out-of-stock. Any new items received should be placed on the sales floor immediately upon arrival in your area.

Coffee and Lunch Schedule

You may work out your own coffee and lunch schedule with others in your area and the approval of your supervisor. You are allowed a 15 minute break during each 4-hour period, and a one hour lunch period. Be sure your area is covered and that all employees do not leave the area at the same time. If this occurs, it may be necessary for the department manager to assign a schedule.

Those who use the lounge area are asked to dispose of all refuse and return any trays, cups, or other items to the cafeteria or snack bar. It is the individual's responsibility to help keep the area clean and in a pleasant condition.

Conversations

Please terminate personal conversations with other clerks when customers are at hand. Use a soft and pleasant voice and manner when addressing customers or other clerks. Please do not shout across the sales floor to converse or attract the attention of other clerks.

Telephone Calls

When you are summoned to the telephone, it is likely that the call will be a customer needing information from your department. Good telephone manners dictate that you answer promptly and speak distinctly and pleasantly. Always identify your department and yourself. Example: "Textbook department; John Jones speaking; may I help you?" If it is necessary to leave the telephone to find information, it is generally best to obtain the name and the telephone number so that the call can be returned at a later time. If a customer must be kept waiting, explain the delay so that he will not feel that you have forgotten him.

Sample

Staff Manual Page 2

There are many telephone shoppers today. Giving a prospective customer the correct information on the availability, description, and price of a book or product is very important. Customers may travel many miles to purchase an item on the basis of what you say on the phone; therefore, be very certain of your facts.

Occasional important personal conversations are permitted, but they must be as brief as possible. During rush periods, calls are not accepted by the bookstore secretary unless in case of an emergency. Personal calls should be made during your lunch hour or coffee break through the use of the telephones in the main lobby of the building or the phones near the snack bar.

Smoking

We do not wish to prohibit smoking, other than on the sales floor or in the service areas of the bookstore. Smoking should not be carried on outside the office areas or the lounge area. Smoking is prohibited in hazardous areas such as Shipping/Receiving, art department backstock and storage areas, or other places where the chance of fire is great.

Reading

There should be no reading of books, magazines, or other material during your regularly scheduled working hours. If we have time to read, then there is time to restock, dust, or assist the customers of the store. We do want you to enjoy books and reading, but we must place the needs of our business first.

Shoplifting

Be on the alert for customers who act suspiciously or whom you notice lingering for long periods of time in an area. Shoplifting is a common thing in college stores which are self-service. If you see a customer put an item in his pocket or conceal merchandise, alert the manager or supervisor immediately. Do not attempt to stop the individual unassisted. All customers, whether students or faculty, should be encouraged to leave their books, brief cases, and back packs, on the book drop or in the lockers provided at the entrance to the store. A checkroom is also provided on the first floor of the building for those who would like more personal service.

Student Center Bookstore

Job Description

JOB TITLE: Assistant Manager (#N0671)

DEPARTMENT: Supply Department

PRIMARY FUNCTION: Has full authority, within the best interest of the Student Center Bookstore, to purchase at the most favorable prices, consistent with quality, quantity, delivery and other factors, all art and school supply merchandise, and within the established policies of the Student Center Bookstore, to fulfill the requirements of the students and faculty of Northern Illinois University

ORGANIZATIONAL RELATIONSHIP:

The Assistant Bookstore Manager reports to the Bookstore Manager.

The Assistant Manager directly supervises two supervisors and indirectly supervises 4 full-time and 20 student employees.

WORK ACTIVITIES:

percentage of time	
10%	1. The level of position in management is determined primarily by the variety and complexity of the duties required in that position.
10%	2. The Supply Department Manager acts as Assistant to the Bookstore Manager. In the absence of the Manager, he/she would see that established policies of the Student Center Bookstore are carried out, is required to make minor administrative decisions based on knowledge of the Bookstore's personnel, policies, and organization. Sign vouchers, pay records, etc. in the Manager's absence.
20%	3. The Supply Department Manager must cause to be purchased many thousands of dollars worth of a variety of merchandise to be sold to a complex clientele, at a reasonable retail price and still maintain, under the direc-

WORK ACTIVITIES (cont.):

percentage of time	
	tion of the store Manager, quantity, quality, as well as a gross profit percentage consistent with the established policies of the Student Center Bookstore.
10%	4. A working knowledge of the various mediums of artist materials and specification in engineering supplies is a prerequisite to establishing these divisions within the Supply Department. Exercises general supervision of the Supply Department Supervisor and Head Cashier.
20%	5. Control of Inventories: Through use of budgets, sales reports, monthly statements, and by keeping stock at a minimum to achieve maximum sales turnover, and to minimize loss through obsolete stock. A set of individual records must be maintained and updated under his/her direction on each of the over 4,000 separate items purchased through his/her department.
10%	6. He/she must maintain personal liason between various departments and members of the faculty to coordinate specialized needs for specific classes and exercise such control in ordering to keep obsolescence in inventory, due to changing requirements, at a strict minimum consistent with good management.
20%	7. Is directly responsible for supervision of all employees on the main floor, including cashiers; arranges breaks, lunch periods, vacations, etc.
5%	8. Holds the vault combination, handles change funds, as necessary, in the head cashier's absence and is responsible for opening and closing of the main level of the Bookstore and security of that area.
5%	9. Exercises care in use of equipment and overseas an orderly work area, which includes sales floor and stock area.

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WORK RESPONSIBILITIES:

Written policy and procedure is available for each area and job in the Bookstore.

The employee is expected to work with budget figures, as a guide, and is frequently reviewed in this area.

INTER-RELATIONSHIPS:

Job inputs are provided by the Bookstore Manager, customers, or University administration.

Job outputs affect Bookstore employees and customers of the business.

SIGNATURES:

Employee: _____ _____
date

Supervisor: _____ _____
date

Department Head: _____ _____
date

Vice President: _____ _____
date

Student Center Bookstore

Job Description

JOB TITLE: Bookstore Clerk II (#N0489)

DEPARTMENT: School Supply/Art Supply/Jewelry Counter

PRIMARY FUNCTION: Assist customers, maintain stock supply and appearance of Jewelry Counter and adjacent area. To process special orders such as jewelry, class rings, fraternity and sorority custom items, calculators and film developing.

ORGANIZATIONAL RELATIONSHIP:

Bookstore Clerk II reports to Supply Department Assistant Manager and/or the Bookstore Manager. In their absence, to the Bookstore Department Supervisor. Bookstore Clerk II supervises 4 to 6 student employees.

WORK ACTIVITIES:

percentage of time		
50%	1.	Assist customers and operate cash register at Jewelry Counter and adjacent areas.
10%	2.	Check price and stock merchandise for rings, film, jewelry and drug sundries areas.
2%	3.	Suggest additions and deletions of merchandise in these areas.
5%	4.	Write special customer orders, correspondence and telephone communications with customers and company representatives for merchandise in this area, i.e., fraternity and sorority jewelry, class rings, calculators, film and technical pens and drawing equipment.
	5.	Be responsible for counting, weighing, cutting, inventory and security of silver and other precious metals and materials.

1%	6.	Fill out customer rental forms and company report forms pertaining to typewriter rental program. Do light cleaning and repair of typewriters, calculators and tape recorders.
3%	7.	Write orders for film processing and advise customers on special films, their use and processing.
10%	8.	Be well versed in the operations and service of our broad line of calculators and peripheral equipment.
3%	9.	Be aware of uses and able to make minor repairs to the technical pens, pencils, air brushes, drafting equipment and supplies sold at the Jewelry Counter.
1%	10.	Maintain familiarity with various audio and video tapes and their application.
10%	11.	Schedule, supervise and train 4 - 6 student employees for all the above duties.

WORK RESPONSIBILITIES:

Written policy and procedure is available for each area and job in the Bookstore.

INTER-RELATIONSHIPS:

Job inputs are provided by the Bookstore Assistant Manager, customers and University administration

Job outputs affect Bookstore employees and customers.

SIGNATURES:

Employee: _____ _____
date

Supervisor: _____ _____
date

Department Head: _____ _____
date

Vice President: _____ _____
date

Northern Illinois University

Holmes Student Center Bookstore

A Guide to Bookstore Services for Faculty

Textbook service

The Student Center Bookstore serves faculty members by providing the textbooks and reference books which students need for their classes. Our goal is for the bookstores in the campus area to have the right quantity, of the right books, at the right time. This involves handling about 4,000 text listings, from 400 publishers, for about 40 academic departments.

Order procedure

The bookstore requests textbook information early each semester for the following term. We need your information as early as possible to process it through the many steps outlined inside this guide.

Basic textbook forms

Several forms are available through your department secretary to facilitate your order.

1. Textbook Order form
2. Desk Copy Request form
3. Extension Order form
4. Special Order form

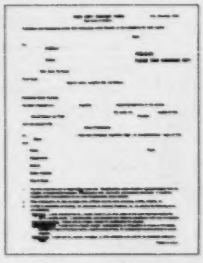
In addition, the Textbook Notification form is sent by the bookstore to the faculty member.

Desk copies

Publishers generally will issue a free copy of the adopted text to each instructor using the text. The academic area, or individual instructor, is responsible for ordering desk copies directly from the publisher.

A Desk Copy Request form, available at the bookstore, is used by the instructor to order a desk copy. The "desk copy" may be ordered as soon as the text has been adopted for course use. We recommend that you always use the Desk Copy Request form to facilitate these orders.

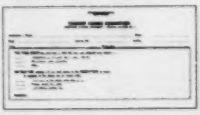
If the desk copy is not ordered directly from the publisher, but instead is taken from the bookstore stock and charged by the instructor, the instructor will be expected to replace the text within 60 days with a new one from the publisher. If the desk copy is not replaced, the department or instructor must pay for the text. The faculty member must tell the clerk to note "desk copy" on the charge ticket to indicate that the new book will be returned for credit within 60 days.



Each department should keep a supply of Desk Copy Request forms on hand to expedite ordering. For a supply of blank forms, phone 753-1081 and ask for the text office.

Textbook notification

A notification will be sent to the instructor if the book ordered is temporarily out of stock, or if it is out of print, or if for any other reason the book cannot be obtained or will be delayed.

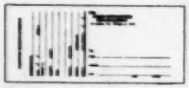


The instructor should immediately fill out the bottom half of the sheet stating whether he or she wishes to use the books when they arrive, wishes to cancel the order, or chooses another text. Return the completed form to the bookstore.

We will try to notify all faculty members as soon as we hear from the publisher if we have problems obtaining their textbooks. It's a good idea to check our shelves occasionally to monitor our services. During bookrush, we will notify faculty members when textbooks arrive late. If you have questions, call 753-1081 and ask for the text office.

Special order form

Individuals may special order any book not in our stock, through the Student Center Bookstore. Information should be completed as requested on the order blank. You will receive one copy as a receipt and another copy will be mailed to you when the book has arrived. A deposit may be required.



There is no charge for postage or handling incurred by the bookstore. Many bookstores now add a service charge.

Extension courses

The following guidelines will help faculty members avoid problems in ordering books and materials for extension courses.

1. Fill out the Textbook Order form accurately and completely.
2. Use separate, specifically marked, forms for your extension classes. Please include the International Standard Book Number (ISBN).
3. The Extension Text Student Order form is a four-part form. The top (white) copy is a packing slip and pregummed mailing label. The fourth copy is a receipt for the student and should be pulled out and retained until the complete order is received. (This is the only separation necessary. *Do not* tear this form apart completely or remove any carbon sheets.) The second and third copies are the bookstore records and should be mailed as attached, with the top (white) copy.

A charge of fifty cents is made for each student text order submitted. This fee is for postage and handling costs.

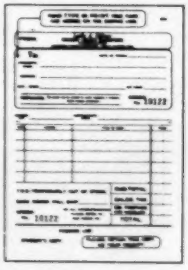
Information on book prices and tax will be supplied to the Extension Office.

Remittance of text order fees must be made with each order by money order or personalized check only. *Cash will not be accepted.* Make all checks and money orders payable to Northern Illinois University.

Delivery will be made within approximately seven days on most orders. Back orders will be made in those cases where temporary out-of-stock or late orders from publishers exist.

If an order cannot be filled completely, the appropriate refund will be made. If one or more items on the order cannot be filled, charges for those items and the postage and handling will be deducted from the remittance for the order and the balance refunded.

Another way to order texts for extension classes will be organizational purchases or institutions ordering bulk shipments either on a cash or local account basis. Some faculty members may wish to charge the books to their personal accounts and sell the books during the first class period. This is acceptable if the cash and the balance of the unsold books are returned within 30 days to clear the account.



The above procedures are prescribed in an attempt to offer the most expedient and efficient service possible to instructor and student. We welcome suggestions on improvement of this service.

If you have questions, call 753-1081 and ask for the text office.

Customer book returns

The period for returns of textbooks. Book purchases may be refunded with a sales receipt within 10 days from the first day of classes. Thereafter, a sales receipt and validated course withdrawal form are necessary. No refunds will be made after the fourth week of classes.

Cash register receipt is required for return. No return or exchange is possible without the cash register receipt, and the book must bear Student Center Bookstore price markings.

Be sure that you do not write your name in the book or mark the book in any manner or a full refund or exchange is not possible. Soiled, marked books, or books with names in them will be handled as used books and only a partial refund will be made.

Book prices

The Student Center Bookstore is wholly owned and operated by NIU. Its purpose is to furnish all the tools needed in the educational process for its students and to provide a service for faculty and staff. All income from the bookstore operation is used to pay the cost of goods sold, employee salaries, and expansion of the building, and to retire any indebtedness on the building.

Some publishers and associations do not allow a discount for resale. We find it necessary to add 25 percent of cost (20 percent of retail) to cover the cost of handling or postage when this occurs. Book prices go up frequently and we generally sell at current suggested list price.

Used books

The bookstore obtains as many used books as possible to help save the student money. We will avoid buying back lab manuals or other write-in books or manuals unless they are clean and unused by the student.

You can help here by using the same text book for several semesters, and this can save many students up to 75 percent of their textbook cost.

But we must have your book order form in time to compile our buy-back list before finals week, when the bulk of books is purchased from students. Fall books are repurchased the preceding spring finals week.

Book rush hours

The bookstore runs extended hours the first week of each semester until 8 p.m. Monday through Thursday and the second week until 6 p.m. Monday through Thursday to accommodate night students.

A student who needs a book after 5 p.m. *during the third week of classes* can phone the text office of the bookstore before 5 and arrange for a copy of the text to be left at the main desk. The student can pick up the book that evening and leave a check in payment.

NIU charge plate

University departments, organizations, faculty and staff may be eligible to obtain a charge plate by making application at the Student Center Accounting Office. You must have your credit card with you to charge a purchase. We also accept Mastercharge and VISA.

Discounts

University departments or organizations funded by the university are generally granted a 25 percent discount on nonbook items and a 10 percent discount on book items. The management of the Student Center Bookstore reserves the right to make certain exceptions in the above general policy.

Other services

1. Special educator magazine subscription rates.
2. Special order service on name plate and plasticized plaques.
3. Graduation cap and gown rentals.
4. Rubber stamp order service.

Printing and distribution of class materials

The printing or duplicating of materials on campus must be initiated well in advance of demand for class use. Manuscript material is submitted to the Printing Services Department of the university with our purchase order; the job becomes one of many university printing jobs which must be completed. We cannot guarantee "rush orders" but must wait our turn along with others on the campus.

The bookstore will require releases from copyright holders for any reproductions to be sold. A copy of such releases must accompany orders for printing.

The bookstore will finance printing of such materials if the instructor or department signs a contract to agree to use the material in class or repurchase the unsold balance at cost. Or, the department can finance the printing and the bookstore will sell the material for the department on consignment basis.

Printing quantities are usually held to one semester's needs. This is the best method to avoid overstock situations and over investment of funds.

If the instructor or department expects to obtain desk copies from the total quantity printed, the bookstore must be notified before printing, so these copies can be computed as a part of the cost of the materials.

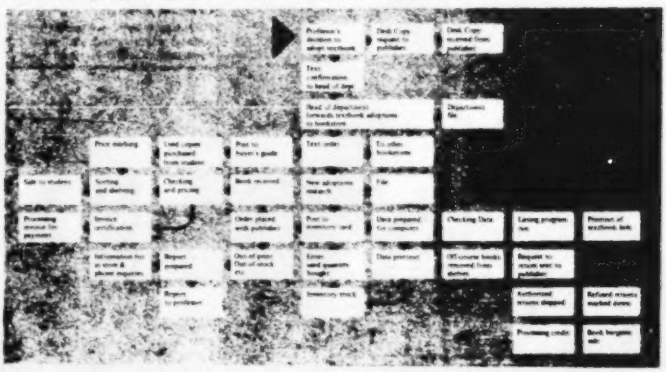
The bookstore will mark up such printed materials by 25 percent (20 percent of retail), and will handle all sales on campus since it is equipped to handle all collection of cash, payment of sales tax and accounting. The Student Center Bookstore will sell copies at wholesale to other campus area bookstores which wish to stock this material for resale.

Lab materials

Submit a complete title page with the manuscript, clearly identifying the edition. All pages must be numbered.

Textbook order process

Dear Professor: Your textbook order is the first step in a complex process. We ask you to complete and return your order as early as possible, by way of your department chairman. Our flowchart gives you some idea of the many operations which follow the receipt of your adoptions. Remember that virtually all universities on the continent want roughly the same books at the same time. You can see why we need to receive your adoptions early.



Textbook order form

This form, used for book ordering by the instructor, must be completed accurately with the following information:

1. Term to be used: fall, spring, summer, intersession
2. Course number
3. Section number
4. Estimated number of students
5. Number of books needed
6. First author
7. Title—Please include ISBN
8. Edition
9. Year
10. Publisher
11. Date students will purchase (indicate whether the students will be required to purchase the book at the beginning of the term, the second half semester, or another date during the semester)
12. Signature of instructor
13. Signature of department head

Your need for a given title must be formally requested on this form. Do not assume the bookstore has the books on hand. We do not keep books which have not been so requested in our inventory; they are either returned to the publisher or sold to used-book dealers. To be fair to your colleagues using the same title, do not plan to use the quantity we have ordered for them in your classes. Give us your order on the proper form.

Please return all copies except the pink copy to the Student Center Bookstore. We will provide a duplicate of your order to other textbook stores near the campus.

Please cooperate by meeting deadlines on order dates for each term. The management of the Student Center Bookstore will obtain as many used texts as possible for resale to the students. This is the most practical way of reducing cost to students. When orders are received late, it is virtually impossible to obtain used texts; also, the chance of out-of-print or out-of-stock situations with the publisher is increased.

The upper half of the form is for books each student is required to buy. Please list only required books in this section. Any change in required materials or section numbers must be cleared through the bookstore. The lower half of the form is for non-required books and supplies. Please list any art or school supplies here.

Notice

The bookstore begins returning unsold overstock of textbooks to the publishers during the tenth week of each semester, and the fifth week of summer session. Please encourage your students to make their purchases before those times.

An instructor who decides to use an additional book during the semester should give the bookstore at least 21 days to order the book and have it by the required time. Do not assume that the book is in stock; check with the bookstore as to the quantity on hand.

If you have any questions, call 753-1081 and ask for the text office.

Order quantities

The textbook business is a very inexact science. You are aware of the many variables affecting our local market. Such factors as type of class, level of course, popularity of instructor, cost of the book, and number of bookstores in the area all contribute to an uncertain market.

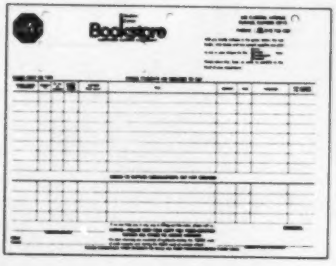
The bookstore is responsible for determining order quantities. A quick review of our shelves after the start of classes will reveal that over all we have ordered far more books than we needed. Inevitably, however, there are a few instances in which there were not enough to meet the demand. Insufficient quantities make a difficult situation for the student and the instructor; unneeded inventory is costly for the university. We apologize for these instances but due to our obligation to maximize unneeded, costly inventories, we know they will continue to occur. Please let us know as soon as you can if your class is short of books. If we are out of your book, a reorder will be made by telephone or telex directing shipment by United Parcel Service.

We coordinate our efforts with those of other campus area bookstores to be sure the class needs are covered. Please urge your students to buy their books early in the semester so we can be sure we have filled their needs.

At the beginning of each semester, there are always some textbooks not on hand for various reasons. The book order may be lost in the mail or misplaced. However, it is impossible for us to be aware of this ahead of time since there are many classes for which no texts are used and thus no book orders are received. If faculty will send us a list of those courses for which no text is used, then we can check for missing orders in time to prevent a problem.

Defective books

Please have defective books with bad bindings, printing errors, etc., returned to the bookstore at once for *replacement*.



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College Store Leasing Checklist

1. What is the length of the agreement?
2. How is the rent computed and what is covered?
3. How can the contract be terminated by either party?
4. Does the college have final approval of management staff?
5. On what terms will existing inventory be purchased by the lessee?
6. What provision is made for rental or use of existing fixtures or equipment?
7. What are demands or restrictions on lessee making structural changes in the space or building?
8. Will the lessee buy existing accounts receivable?
9. Are there stipulations about product or merchandise restrictions or non-competition by the college?
10. What store hours are required or desired by the college?
11. What are policies regarding refunds, buybacks, adoption information, check cashing, employee discounts, etc.?
12. Who is responsible for utilities and maintenance?
13. What are insurance requirements?
14. Does the college have audit rights to check rental figures?
15. Is there a termination of contract option?
16. What is the inventory repurchase agreement?
17. Are there any rights of assignment on the contract?
18. Is the lessee financially solvent and dependable?
19. Can they provide a performance bond to protect the college in case of financial failure?
20. What references have been provided and have they been checked?

College Store Financial Checklist

1. Does the store have a daily sales report available by department?
2. Are sales recorded by department and cashiers well trained?
3. Does the store have a monthly operating statement by the 10 - 15th of the following month?
4. Is a balance sheet provided monthly along with the operating statement?
5. Is inventory calculated monthly and figures provided to key buyers and managers?
6. Do buyers prepare and work from monthly and yearly budgets?
7. Are receiving practices sound with good documentation and control?
8. Are security precautions taken over cash and inventory?
9. How are refunds and buybacks handled?
10. Are cash funds kept at a minimum in the store?
11. Is cash flow well controlled?
12. How is payroll controlled?
13. Is there a division of duties and responsibilities in the accounting and cashiering area?
14. How are cashier errors corrected at the checkout?
15. Are accounts receivable aged regularly?
16. Are cash discounts on accounts payable taken promptly?
17. Is the bank statement reconciled promptly each month?
18. Does the store discount to: customers, faculty, staff; how much?
19. Are deposits made daily?
20. Are key accounting and financial forms pre-numbered and sequence closely controlled?
21. When was the last time the store had a complete audit?
22. Are all employees who handle cash or assets bonded?
23. Are keys and combinations to the safe tightly controlled?

College Store Personnel Checklist

1. Are written job applications used?
2. Are references checked?
3. Does the store have a staff manual?
4. Does the store have a procedure and policy manual?
5. Is nepostism practiced in the store?
6. How are employees trained?
   A. Buddy System
   B. One-on-one, Supervisor/Employee
   C. Staff Meetings
   D. Other
7. Are supervisors well trained and given access to all professional journals, newsletters, books, etc.?
8. How are discipline problems handled?
9. Are periodic evaluations of performance used?
10. Is responsibility delegated to key employees?
11. Does organization try to promote from within?
12. Do employees wear identifying tags or garments?
13. Is an individual personnel file maintained for each employee?
14. Are student job opportunities provided by the store?
15. What fringe benefits does store provide employees?

College Store Public Relations Checklist

1. Does the store have a distinctive logo, letterhead, and advertising style?
2. What advertising flyers or handouts have been used in the last three years?
3. What sales promotions have been used the last three months? The last six months?
4. Does the store have distinctive merchandise bags?
5. What advertising media are used?
   A. Newspapers
   B. Radio
   C. T.V.
   D. Direct Mail
   E. Other
6. Does the store have a student/faculty advisory committee?
7. Does the management have an open-door policy?
8. Are signs and notices written in a positive tone?
9. Is there an on-going program to improve service to the store's market.
10. Is criticism, or are suggestions, acted upon promptly?
11. What special services are offered to the customer?
12. What are store hours?
13. Are any profits from the store used to benefit the students or the University?
14. Is the physical layout of the store attractive to the customer?
15. How is the security and shoplifting problem handled?
16. Are policies well publicized and fair?
17. Is there a double set of standards for students and faculty?

Harold E. Ball
1305 Stafford Street
DeKalb, Illinois 60115
815-758-7036

PROFESSIONAL DEVELOPMENT SUPPORT

Seminar On: Developing Staff Training Material

This is a four hour program which could be used by your Association as a Mini-nar or in conjunction with a yearly meeting.

The objectives of the program are:

1. To show the participants how a slide presentation can be used to insure continuity and uniformity in training all staff members and to save time in training new or part-time staff members.
2. To have each participant work with a sample outline to be used in designing their own training program which will be unique to their stores needs.
3. To have each participant work with a sample outline to be used in writing a staff manual or revising an existing manual.
4. To review some types of specialized training materials for cashiers, clerks, and shipping/receiving personnel.

Participants will be asked to review a sample slide set, work with two different outlines as worksheets, and discussion will cover methods of improving staff training programs for any size store.

Handouts will include the outline for a slide presentation, outline for a staff manual, source list for smocks and other needs, check list for personnel, and instruction sheets for cashiers and clerks.

FOR A MORE PROFESSIONAL STAFF IN THE 80'S

Call if you would like more information.

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815-758-7036

PROFESSIONAL DEVELOPMENT SUPPORT

SECURITY for the College Store: An information packed **SEMINAR**

Program Objectives: To help retailers become more professional in handling security problems in their business.

Program Outline: A two hour discussion period illustrated with slides covering the physical and mechanical methods of retail security control. A twenty minute film on shoplifting and a summary of techniques used by the shoplifter, with procedures to follow before and after apprehension. The last portion of the program deals with employee theft and armed robbery.

Who Should Attend: Owners, department managers, and supervisors directly connected with retailing.

Here are some of the comments made after the presentation:

> "Your presentation, the film and the handouts were all excellent and greatly appreciated. Ironically—during store hours that evening I caught a girl walking out with a $22.50 warm-up suit wrapped in her coat. I never expected such immediate results!"
>
> Sr. Pauline Fields, Manager
> St. Xavier College Bookstore

> "I believe this was one of the best programs I have attended, regardless of the type of association. It certainly was one of the most efficiently designed at the working level."
>
> Dave Lorenz, Director of Business Services
> Grand Valley State Colleges

Additional References: Illinois Association of College Stores
Mid-States Association of College Stores
Michigan Association of College Stores
Ohio Association of College Stores

Call if you would like more information.

NOW AVAILABLE
on cassette tapes...

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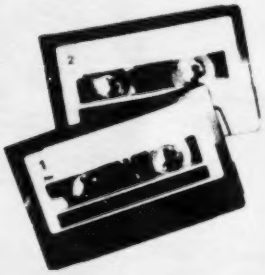

COLLEGE STORE SECURITY

A Comprehensive Review of Proven Security Techniques

TAPE #1

COLLEGE STORE SECURITY: PHYSICAL AND MECHANICAL CONTROLS. Things you can do at any time to improve your security.

TAPE #2

SHOPLIFTING. A profile of the amateur and professional and what to do before and after apprehension.

ARMED ROBBERY. Preventive measures and what your response should be if it does occur.

EMPLOYEE THEFT. A method to reduce the problem in your store.

Each tape approximately one hour in length.

ORDER FORM Date _____

COLLEGE STORE SECURITY CASSETTES

_____ TAPE #1 @ $10.00 ea. $ _____

_____ TAPE #2 @ $10.00 ea. $ _____

Postage & Hdl. $ 1.00

TOTAL $ _____

Please enclose check or money order

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